RED HERRING PROSPECTUS
Dated: July 29, 2015
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Issue

Power Mech™
Growth Unlimited

POWER MECH PROJECTS LIMITED

Our Company was originally incorporated on July 22, 1999 as a private limited company under the Companies Act, 1956, by the name "Power Mech-Projects Private Limited". On September 28, 2007, our Company was converted into a public limited company pursuant to which the name was changed to "Power Mech-Projects Limited" and a fresh certificate of incorporation was issued on October 16, 2007. Further, on September 15, 2010, our name was changed from "Power Mech-Projects Limited" to "Power Mech Projects Limited" and a fresh certificate of incorporation was issued pursuant to change of name on November 1, 2010. For details of change in name and the registered office of our Company, see "*History and Corporate Structure*" on Page 157.

Registered Office: Plot No. 77, Jubilee Enclave, Opposite Hitex, Madhapur, Hyderabad 500 081, Telangana, India
Company Secretary and Compliance Officer: Mohit Gurjar; **Tel**: +91 40 3044 4418; **Fax**: +91 40 3044 4400
Email: compliance@powermech.net; **Website**: www.powermechprojects.in
Corporate Identity Number: U74140TG1999PLC032156

OUR PROMOTERS: S. KISHORE BABU, S. LAKSHMI, S. ROHIT, S. VIGNATHA AND S. KISHORE BABU (HUF)

PUBLIC ISSUE OF 4,269,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF POWER MECH PROJECTS LIMITED, (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹ [●] MILLION CONSISTING OF A FRESH ISSUE OF 2,128,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,141,000 EQUITY SHARES BY THE SELLING SHAREHOLDERS (AS DEFINED IN "DEFINITIONS AND ABBREVIATIONS" ON PAGE 7) AGGREGATING UP TO ₹ [●] MILLION (THE"OFFER FOR SALE"AND THE FRESH ISSUE ARE TOGETHER REFERRED TO AS, THE "ISSUE"). THE ISSUE WILL CONSTITUTE 29.02% OF THE FULLY DILUTED POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.

In case of revision in the Price Band, the Bid/Issue Period will be extended by at least 3 (three) additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**" together with the BSE, the "**Stock Exchanges**"), by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers ("**BRLMs**"), the Syndicate Members and the Self Certified Syndicate Banks ("**SCSBs**").

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the "**SCRR**") this Issue is being made for at least 25.00% of the post Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**") where 50.00% of the Issue will be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 60.00% of the QIB Category to Anchor Investors, on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5.00% of the QIB Category (excluding the 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. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Retail Individual Investors may participate in this Issue through the ASBA process by providing details of the ASBA Accounts in which the corresponding Bid Amounts will be blocked by the SCSBs. QIBs (excluding Anchor Investors) and Non-Institutional Investors can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Issue Procedure*" on Page 477.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there is no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price (determined and justified by our Company in consultation with the BRLMs as stated under "*Basis for Issue Price*" on Page 107) 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 entire 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 ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to see "*Risk Factors*" on Page 16.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder accepts that this Red Herring Prospectus contains all information about it as the Selling Shareholder in the context of the Offer for Sale and assumes responsibility only for statements in relation to such Selling Shareholder included in this Red Herring Prospectus.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the BSE and the NSE. We have received an 'in-principle' approval from each of BSE and NSE for the listing of the Equity Shares pursuant to the letters dated January 1, 2015 and December 4, 2014, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE ISSUE
kotak® Investment Banking	IIFL	MOTILAL OSWAL Investment Banking	KARVY Computershare
KOTAK MAHINDRA CAPITAL COMPANY LIMITED 27 BKC, 1st Floor, Plot No. C-27 'G' Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051, Maharashtra, India Tel: +91 22 4336 0000, Fax: +91 22 6713 2447 Email: pmpl.ipo@kotak.com Investor grievance email: kmccredressal@kotak.com Website: http://investmentbank.kotak.com Contact Person: Ganesh Rane SEBI Registration No.: INM000008704 CIN: U67120MH1995PLC134050	**IIFL HOLDINGS LIMITED*** 8th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India Tel: +91 22 4646 4600, Fax: +91 22 2493 1073 Email: pmpl.ipo@iiflcap.com Investor grievance email: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Pinak Bhattacharyya/ Pinkesh Soni SEBI Registration No.: INM000010940 CIN: L74999MH1995PLC093797	**MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED**** Motilal Oswal Tower, Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi Mumbai 400 025, Maharashtra, India Tel: +91 22 3980 4380, Fax: +91 22 3980 4315 Email: pmpl.ipo@motilaloswal.com Investor grievance email: moiaplredressal@motilaloswal.com Website: www.motilaloswal.com Contact Person: Rupesh Khant SEBI Registration No.: INM00001105 CIN: U67190MH2006PTC160583	**KARVY COMPUTERSHARE PRIVATE LIMITED** Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222, Fax: +91 40 2300 1153 Toll free no.: 1800 3454 001 Email: einward.ris@karvy.com Investor grievance email: powermech.ipo@karvy.com Website: www.karisma.karvy.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221 CIN: U74140TG2003PTC041636

BID /ISSUE PROGRAMME

BID/ISSUE OPENS ON: AUGUST 7, 2015***	BID/ISSUE CLOSES ON: AUGUST 11, 2015****

** Pursuant to transfer of merchant banker registration,from India Infoline Limited. For further information, see "Definitions and Abbreviations" on Page 5.*
*** In compliance with the proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, read with proviso to regulation 5(3) of the SEBI ICDR Regulations, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue.*
**** Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Date shall be one Working Day prior to the Bid/ Issue Opening Date.*
***** Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs, one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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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 Red Herring Prospectus, and references to any statute or regulations or acts or policies shall include amendments thereto, from time to time:

Company Related Terms

Term	Description
"We", "us", "our", the "Issuer"	Unless the context otherwise indicates or implies, refers to Power Mech Projects Limited on a consolidated basis including its Subsidiaries.
"Company", "our Company", "Power Mech"	Power Mech Projects Limited, a company incorporated under the Companies Act and having its registered office at Plot No. 77, Jubilee Enclave, Opposite Hitex, Madhapur, Hyderabad – 500 081, Telangana, India.
Articles/ Articles of Association	Articles of association of our Company.
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013.
Auditors/Statutory Auditors	The statutory auditors of our Company, M/s. Brahmayya & Co., Chartered Accountants.
Board / Board of Directors	Board of Directors of our Company or a duly constituted committee thereof.
Corporate Social Responsibility Committee	The committee of the Board of Directors constituted as our Company's corporate social responsibility committee in accordance with the Companies Act, 2013.
Director(s)	The director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of face value ₹ 10 each.
Group	Power Mech Projects Limited and its Subsidiaries, on a consolidated basis.
Group Companies	The companies, firms, ventures, etc. promoted by the Promoters, irrespective of whether such entities are covered under Section 370 (1)(B) of the Companies Act, 1956. For details, please refer to the section "*Our Group Companies*" on Page 192.
IPO Committee	The committee of the Board of Directors as described in "*Our Management*" on Page 177.
Joint Venture	Power Mech – CPNED Services (Hong Kong) Holding Company Limited.
Key Management Personnel/KMP	Those individuals described in "*Our Management – Key Management Personnel*" on Page 181.
Memorandum	Memorandum of association of our Company.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as our Company's nomination and remuneration committee in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013.
Order Book	Order Book as of a particular date comprises estimated revenues from (i) the unexecuted portions of existing contracts as of such date; (ii) contracts for which definitive agreements have been executed; and (iii) contracts for which letters of intent/ award have been issued by the client, although definitive agreements have not yet been executed as of such date. The reference also includes estimated revenues from certain contracts that have been suspended, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control.
Promoters	S. Kishore Babu, S. Kishore Babu (HUF), S. Lakshmi, S. Rohit and S. Vignatha.
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2 (1)(zb) of the SEBI ICDR Regulations.
Registered Office	Plot No. 77, Jubilee Enclave, Opposite Hitex, Madhapur, Hyderabad 500 081, Telangana, India.
Registrar of Companies/RoC	Registrar of Companies, Andhra Pradesh and Telangana, located at Hyderabad.
Restated Consolidated Financial Statements	Restated consolidated financial statements as of and for the years ended March 31, 2011, 2012, 2013, 2014 and 2015.
Restated Standalone Financial Statements	Restated standalone financial statements as of and for the years ended March 31, 2011, 2012, 2013, 2014 and 2015.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Clause 49 of the Listing Agreement.

Term	Description
Subsidiaries	Hydro Magus Private Limited, Power Mech Industri Private Limited and MAS Power Mech Arabia.

Issue Related Terms

Term	Description
Allotment/ Allot/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, with a minimum Bid of ₹ 100.00 million.
Anchor Investor Allocation Price	The price at which the Allocation is being done to the Anchor Investors.
Anchor Investor Bid/ Issue Period	The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price, but not higher than the Cap Price. The Anchor Investor Allocation Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs.
Anchor Investor Pay-in Date	In case of Anchor Investor Issue Price being higher than Anchor Investor Allocation Price, no later than two days after the Bid Closing Date.
Anchor Investor Portion	Up to 60.00% of the QIB Portion, which may be allocated by our Company and the Selling Shareholders, in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors.
Application Supported by Blocked Amount/ASBA	A process of submitting the Bid cum Application Form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorising a SCSB to block the Bid Amount in the ASBA Account maintained with the SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and the Non-Institutional Bidders participating in the Issue.
ASBA Account	An account maintained with the SCSB and specified in the Bid cum Application Form submitted by an ASBA Bidder for blocking the Bid Amount mentioned in the Bid cum Application Form.
ASBA Bidder	A Bidder (except Anchor Investors) in this Issue who Bids through the ASBA process.
Bankers to the Issue/Escrow Collection Banks	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being, State Bank of India, ICICI Bank Limited and Axis Bank Limited.
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in "*Issue Procedure- Allotment Procedure and Basis of Allotment*" on Page 516.
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of optimal Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut-Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form.
Bid cum Application Form	The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in multiple editions of English national newspaper *Financial Express,* multiple editions of Hindi national newspaper *Jansatta* and Hyderabad edition of *Prajashakti,* a Telugu newspaper,

Term	Description
	each with wide circulation and in case of any revision, the extended Bid Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations. Further, our Company and the Selling Shareholders, in consultation with the BRLMs, may decide to close Bidding by QIBs one day prior to the Bid Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid Opening Date was published.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in multiple editions of English national newspaper *Financial Express*, multiple editions of Hindi national newspaper *Jansatta* and Hyderabad edition of *Prajashakti* a Telugu newspaper, each with wide circulation and in case of any revision, the extended Bid Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, decide to close Bidding by QIBs one day prior to the Bid/Issue Closing Date.
Bid Lot	[●] Equity Shares.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor.
Book Building Process	The book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which this Issue is being made.
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders can submit their Bid cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the respective Stock Exchanges.
BRLMs/Book Running Lead Managers	The book running lead managers to the Issue, being Kotak Mahindra Capital Company Limited, IIFL Holdings Limited* and Motilal Oswal Investment Advisors Private Limited. In compliance with the proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, read with proviso to regulation 5 (3) of the SEBI ICDR Regulations, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue. *Pursuant to the transfer of Merchant Banker registration, issued under the SEBI (Merchant Bankers) Regulations, 1992, from India Infoline Limited, as approved by SEBI vide letter dated April 7, 2015, bearing No. MIRSD-3/MS/MB/9926/15, with continuance of registration.
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Controlling Branches	Such branches of SCSBs which coordinate Bids under the Issue by the ASBA Bidders with the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised- Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	The Issue Price, finalised by our Company in consultation with BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs 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 Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from, time to time.
Designated Date	The date on which the funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate,

Term	Description
	after the Prospectus is filed with RoC, following which the Board of Directors shall Allot the Equity Shares to successful Bidders in the Fresh Issue and the Selling Shareholders shall give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale.
Designated Stock Exchange	BSE
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated October 30, 2014 issued in accordance with the SEBI ICDR Regulations.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares.
Escrow Account	Account opened with the Escrow Collection Banks and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agent	The escrow agent appointed pursuant to the Share Escrow Agreement, being Karvy Computershare Private Limited.
Escrow Agreement	Agreement to be entered into between our Company, the Selling Shareholders, the Registrar to the Issue, the BRLMs, the Syndicate Members, the Escrow Collection Banks and the Refund Bank for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.
First Bidder	Bidder whose name appears first in the Bid cum Application Form in case of a joint bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
Foreign Portfolio Investors/ FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
Fresh Issue	The fresh issue of 2,128,000 Equity Shares aggregating up to ₹ [●] million by our Company.
IIFL	IIFL Holdings Limited (pursuant to the transfer of Merchant Banker registration, issued under the SEBI (Merchant Bankers) Regulations, 1992, from India Infoline Limited, as approved by SEBI vide letter dated April 7, 2015, bearing No. MIRSD-3/MS/MB/9926/15, with continuance of registration).
India Business Excellence Fund I	A public limited life company organised under the laws of the Republic of Mauritius and having its registered office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius.
India Business Excellence Fund	A unit scheme of Business Excellence Trust, a trust created under the (Indian) Trust Act, 1882, represented by it's trustee, IL&FS Trust Company Limited, having its registered office at IL&FS Financial Center, C 22, G block, Bandra Kurla Complex, Mumbai 400 051, Maharashtra.
Offer Agreement	The agreement dated October 20, 2014 between our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which the Equity Shares will be issued and Allotted in terms of this Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with BRLMs on the Pricing Date.
Issue Proceeds	The proceeds of the Issue available to the Company and the Selling Shareholders. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on Page 102.
Listing Agreement	Listing agreement to be entered into by our Company with the Stock Exchanges.
Mutual Fund Portion	5.00% of the QIB Portion (excluding the Anchor Investor Portion), or 42,690 Equity Shares which shall be available for allocation to Mutual Funds only.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of Issue expenses. For further information about the Issue expenses, see "*Objects of the Issue*" on Page 102.
Net QIB Portion	QIB Portion less Anchor Investor Portion.

Term	Description
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than 15.00% of the Issue consisting of 640,350 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.
Offer for Sale	The offer for sale of up to 2,141,000 Equity Shares by the Selling Shareholders at the Issue Price, pursuant to the terms of this Red Herring Prospectus.
Price Band	Price Band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised, at least five Working Days prior to the Bid/Issue Opening Date, in multiple editions of English national newspaper *Financial Express*, multiple editions of Hindi national newspaper *Jansatta* and Hyderabad edition of *Prajashakti*, a Telugu newspaper , each with wide circulation.
Pricing Date	The date on which our Company in consultation with BRLMs will finalise the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations 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.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated Date and to which the finds shall be transferred by the SCSBs from the ASBA Account.
QIB Portion/QIB Category	The portion of the Issue (including the Anchor Investor Portion) amounting to 50.00% of the Issue being 2,134,500 Equity Shares, which shall be available for allocation to QIBs, including the Anchor Investors.
Qualified Institutional Buyers/QIBs	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations.
Red Herring Prospectus/RHP	This Red Herring Prospectus issued in accordance with section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue.
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount (excluding ASBA Bidders) shall be made.
Refund Bank	ICICI Bank Limited.
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, RTGS or NEFT, as applicable.
Registered Brokers	Stock brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate.
Registrar Agreement	The agreement dated October 17, 2014 between our Company, the Selling Shareholders and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/ Registrar	Registrar to the Issue, in this case being Karvy Computershare Private Limited
Retail Individual Bidder(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35.00% of the Issue consisting of 1,494,150 Equity Shares which shall be available for allocation as per the SEBI ICDR Regulations to Retail Individual Bidder(s).
Revision Form	Form used by the Bidders, including ASBA Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous revision form(s). Kindly note that QIBs and Non-Institutional Bidders are not allowed to lower their Bid (in terms of quality of Equity Shares or the Bid Amount) at any stage, once submitted.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb /home /list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from, time to time.
Share Escrow Agreement	The agreements among the Selling Shareholders, our Company and the Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.

Term	Description
Selling Shareholders	Shall collectively mean (i) India Business Excellence Fund I; (ii) India Business Excellence Fund, represented by its trustee IL& FS Trust Company Limited; (iii) P. Srinivasa Rao; and (iv) D. Aakashnag, a minor represented by his guardian, D.S. Rao.
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available at the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Syndicate Agreement	The agreement to be entered into amongst the BRLMs, the Syndicate Members, our Company and the Selling Shareholders in relation to the collection of Bids in this Issue (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to the Registered Brokers at the Broker Centres).
Syndicate Member(s)	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, namely, Kotak Securities Limited, India Infoline Limited and Motilal Oswal Securities Limited.
Syndicate/ members of the Syndicate	BRLMs and the Syndicate Members.
TRS/Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid.
Underwriters	[●]
Underwriting Agreement	The agreement amongst the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date.
Working Days	All days, other than a Sunday or a public holiday on which commercial banks are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India. For the purpose of the time period between the Bid Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding Sundays and bank holidays, in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010.

Conventional and General Terms/ Abbreviations and Reference to Other Business Entities

Term	Description
A/c	Account
AED	Arab Emirates Dirhams
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BHEL	Bharat Heavy Electricals Limited
BPLR	Benchmark Prime Lending Rate
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CENVAT	Central Value Added Tax
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CIN	Corporate identity number
CIT	Commissioner of Income Tax
Citibank	Citibank N.A.
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act/Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, as amended (without reference to the provisions thereof

Term	Description
	that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, as amended on May 26, 2015
COO	Chief Operating Officer
CSR	Corporate social responsibility
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository participant's identification
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
Electricity Act	Electricity Act, 2003
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
ESOP	Employee Stock Option Plan
ESOS	Employee Savings Opportunity Scheme
FCNR	Foreign currency non-resident
Factories Act	Factories Act, 1948
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder and amendments thereto
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under the SEBI FII Regulations
Financial Year/ Fiscal/ fiscal/ FY	Period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI FVCI Regulations
GDP	Gross Domestic Product
GIR	General index register
GoI/Government	Government of India
HKD	Hong Kong Dollar
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICICI Bank	ICICI Bank Limited
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards issued by International Accounting Standards Board
IRG	Internal Resource Generation
ISO	International Organization for Standardization
IT	Information Technology
I.T. Act	The Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
ITES	Information Technology Enabled Services
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
LLP Act	Limited Liability Partnership Act, 2008
Mn / mn	Million
MOEF	Ministry of Environment and Forests
MICR	Magnetic ink character recognition
MoU	Memorandum of Understanding
N.A.	Not applicable
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
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

Term	Description
	Loss account, divided by number of issued equity shares
NCT	National Capital Territory
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Notified Sections	The sections of the Companies Act, 2013 that have come into effect on August 30, 2013, September 12, 2013 and April 1, 2014
NOC	No Objection Certificate
NR/Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FIIs and FPIs registered with SEBI and FVCIs registered with SEBI
NRE Account	Non Resident External Account
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OHSAS	Occupational Health and Safety Advisory Services
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	Per annum
P&L	Profit and loss
P/E Ratio	Price/earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
PAT	Profit after tax
PIO	Persons of Indian Origin
PLR	Prime Lending Rate
QE	Quarter ended
QIB	Qualified Institutional Buyer
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
RBL	RBL Bank Limited
Registration Act	Registration Act, 1908
RONW	Return on Net Worth
Rupees/Rs./₹/INR	Indian Rupees
RTGS	Real Time Gross Settlement
SAR	Saudi Arab Riyal
SBH	State Bank of Hyderabad
SBI	State Bank of India
SCB	Standard Chartered Bank
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Securities Act	United States Securities Act, 1933
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SIDBI	Small Industries Development Bank of India

Term	Description
Sq. Ft./sq. ft.	Square feet
State Government	The Government of a State in India
Sec.	Section
SEZ	Special Economic Zone
Stamp Act	The Indian Stamp Act, 1899
Stock Exchange(s)	BSE and/ or NSE as the context may refer to
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
T.P. Act	Transfer of Property Act, 1882
UIN	Unique Identification Number
US / USA	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD / US$	United States Dollars
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

Industry Related Terms

Term	Description
AHP	Ash Handling Plant
AMCs	Annual maintenance contracts
APDRP	Accelerated Power Development and Reform Programme
APTEL	Appellate Tribunal for Electricity
BHEL	Bharat Heavy Electricals Limited
BOP	Balance of plant
CAGR	Compound Annual Growth Rate
CFBC	Circulating Fluidized Bed Combustion
Chengdu	Chengdu Pengrun New Energy Development Company Limited
CHP	Coal Handling Plant
CRISIL	Credit Rating Information Services of India Limited
CRR	Cash Reserve Ratio
EPC	Engineering Procurement and Construction
ERP	Enterprise Resource Planning
ESI	Employees’ State Insurance
ESPs	Electrostatic precipitators
ETC-BTG	Erection, testing and commissioning of boilers, turbines and generators
FSA	Fuel Supply Agreement
GAAP	Generally Accepted Accounting Principles
HRSG	Heat recovery steam generator
IASB	International Accounting Standards Board
ICAI	Institute Of Chartered Accountants of India
IDC	Interest During Construction
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IOCL	Indian Oil Corporation Limited
IPP	Independent Power Producer
ISO	International Organization for Standardization
MoU	Memorandum of understanding
NCR	National Capital Region
NDT	Non-Destructive Tests
NTPC	National Thermal Power Corporation
O&M	Operation and maintenance
ONGC	Oil and Natural Gas Corporation of India
PLF	Plant Load Factor
PRC	People’s Republic of China
PSER	Power Sector Eastern Region
PSL	Priority Sector Lending
PSWR	Power Sector Western Region
RCC	Reinforced Cement Concrete
RGGVY	Rajiv Gandhi Grameen Viyutikaran Yojana
SAP	Systems, Applications and Products in Data Processing
SEPCO	Shandong Electric Power Construction Corporation

Term	Description
SLR	Statutory Liquidity Ratio
STG	Steam turbine generators
TPP	Thermal Power Plant
UAE	United Arab Emirates
UMPPs	Ultra-mega power projects
WHRB	Waste heat recovery boilers

Notwithstanding the foregoing, terms in the sections "*Statement of Tax Benefits*", "*Financial Statements*" and "*Main Provisions of the Articles of Association*" on Pages 110, 198 and 527, respectively, shall have the meaning given to such terms in such sections. Page numbers refer to page number of this Red Herring Prospectus, unless otherwise specified.

CERTAIN CONVENTIONS: USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

All references to "India" contained in this Red Herring Prospectus are to the Republic of India, all references to the "U.S.", "U.S.A" or the "United States" are to the United States of America. All references to "Dubai", "Saudi Arabia", "Bangladesh", "Yemen" and "Bangladesh" are to the United Arab Emirates, the Kingdom of Saudi Arabia, Republic of Bangladesh, Republic of Yemen and the Kingdom of Bhutan, respectively.

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

Financial Data

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our Restated Consolidated Financial Statements for the fiscal 2011, 2012, 2013, 2014 and 2015, prepared in accordance with the requirements of the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations and set out in "*Financial Statements*" on Page 198. Our financial year commences on April 1 of a year and ends on March 31 of the next year. So all references to a particular fiscal year are to the twelve-month period ended on March 31 of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our financial statements and reported earnings could be different in a material manner from those which would be reported under IFRS or U.S. GAAP. The reconciliation of the financial statements to IFRS or US GAAP financial information has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus, and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices, including Indian GAAP, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Currency and Units of Presentation

All references to "**Rupees**", "**₹**" or "**Rs**." or "**INR**" are to Indian Rupees, the official currency of the Republic of India. All references to "**USD**" or "**$**" or United States Dollars are to the official currency of the United States of America. All references to "**AED**" or **"United Arab Emirates Dirham"** are to the official currency of the United Arab Emirates. All references to "**SAR**" or "**Saudi Arab Riyal**" are to the official currency of the Kingdom of Saudi Arabia. All references to "**HKD**" or "**Hong Kong Dollar**" are to the official currency of Hong Kong.

Our Company has presented certain numerical information in this Red Herring Prospectus in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000. All the numbers in the document, have been presented in million or in whole numbers where the numbers have been too small to present in millions.

Unless otherwise indicated, any percentage amounts, as set forth in the sections titled "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on Pages 16, 127 and 363 respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the consolidated financial statements prepared in accordance with the Indian GAAP and Companies Act and restated in accordance with the SEBI ICDR Regulations.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and various other currencies.

(₹)

Currency	Exchange rate as on March 28, 2013[(1)]	Exchange rate as on March 28, 2014[(2)]	Exchange rate as on March 31, 2015	Exchange rate as on May 29, 2015[(3)]	Exchange rate as on June 30, 2015
1 US$	54.28	59.89	62.50	63.83	63.65
1 AED	14.82	16.30	16.97	17.36	17.32
1 SAR	14.53	16.83	16.61	17.01	16.96

Source: Bloomberg

(1) Not available for March 29, 2013, March 30, 2013 and March 31, 2013 as these were non-trading days

(2) Not available for March 29, 2014, March 30, 2014 and March 31, 2014 as these were non-trading days

(3) Not available for May 30, 2015 and May 31, 2015 as these were non-trading days

Industry and Market Data

The section titled "*Industry Overview*" quotes and otherwise includes information from a commissioned report, or the CRISIL Report, prepared by CRISIL Limited for purposes of this Red Herring Prospectus. We have not commissioned any report for purposes of this Red Herring Prospectus other than the CRISIL Report. We commissioned CRISIL's research division to provide an independent assessment of the opportunities, dynamics and competitive landscape of the markets in India for the business we are engaged in. Except for the CRISIL Report, market and industry related data used in this Red Herring Prospectus has been obtained or derived from publicly available documents and other industry 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 and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on Page 16. Accordingly, investment decisions should not be based solely on such information.

Further, the extent to which the market and industry data used in this 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. In addition, certain data in relation to our Company used in this Red Herring Prospectus has been obtained or derived from reports published, or studies conducted, by CRISIL Limited and differs in certain respects from our Restated Consolidated Financial Statements as a result of, inter alia, the methodologies used in compiling such data. Accordingly, no investment decision should be made based on such information.

In accordance with the SEBI ICDR Regulations, the "*Basis for Issue Price*" on Page 109 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLMs have independently verified such information.

Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company may be required to undertake an annual updation of the disclosures made in this Red Herring Prospectus and make it publicly available in the manner specified by SEBI.

Definitions

For definitions, see "*Definitions and Abbreviations*" on Page 2. In "*Main Provisions of the Articles of Association*" on Page 527, defined terms have the meaning given to such terms in the Articles of Association.

FORWARD-LOOKING STATEMENTS

All statements contained in this 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 with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. The investors can generally identify forward looking statements by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "may", "will", "will continue", "will pursue", "will likely result", or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the 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 industry in India and our ability to respond to them, our ability to successfully implement our strategy, our development plan, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas, which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Our inability to estimate our future performance because of limited operating history;
- Inability to obtain and retain adequate numbers of skilled and qualified employees in addition to other manpower that we require for our projects;
- Failure to commence operations of our projects as expected or failure of our clients to permit us to commence work on these projects;
- Our inability to raise the necessary funding for our capital expenditures, including for the development of our projects;
- Certain inherent construction, financing and operational risks in relation to the projects that we undertake;
- The monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates;
- A liquid market fails to develop for our Equity Shares;
- Foreign exchange rates, equity prices or other rates or prices;
- The performance of the financial markets in India;
- General economic and business conditions in India;
- The ability to successfully implement our strategy;
- Changes in laws and regulations that apply to our clients, suppliers and the power generation and trading and construction and property development sectors;
- Increasing competition in and the conditions of our clients, suppliers and the power generation and trading; and
- Changes in political conditions in India;
- Our dependence on our Promoters and Key Management Personnel;
- Conflicts of interest with affiliated companies, the Group Entities and other related parties;
- Contingent liabilities, environmental problems and uninsured losses;
- Government approvals;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Developments affecting the Indian economy; and
- Our ability to manage risks that arise from these factors.

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on Pages 16, 127 and 363, respectively.

By their nature, certain 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. Our Company, the Selling Shareholders, our Directors, the BRLMs, other members of the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend 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, the Selling Shareholders (in respect of its own information and information relating to the Equity Shares being Offered for Sale by the Selling Shareholders included in this Red Herring Prospectus) and the BRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. The investors should carefully consider all information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additionally, risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. To obtain a complete understanding of our business, the investors should read this section in conjunction with the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on Pages 127 and 363, respectively, as well as other financial information contained in this Red Herring Prospectus. If any of the following risks or other risks and uncertainties that are currently not known or are now deemed immaterial were to occur, our business, results of operations and financial condition may suffer, and the price of the Equity Shares may decline and the investors may lose all or part of their investment. The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However there are risk factors where the effect is not quantifiable and hence has not been disclosed. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and the risks involved.

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Power Mech Projects Limited and its subsidiaries on a consolidated basis and any reference to "Company" refers to Power Mech Projects Limited.

Unless otherwise indicated, all financial information included herein are based on our Restated Consolidated Financial Statements included in this Red Herring Prospectus beginning on Page 285.

INTERNAL RISK FACTORS

1. ***We may not be able to qualify for, compete and win projects, which could adversely affect our business and results of operations.***

We obtain a majority of our projects through a competitive bidding process. In selecting contractors for major projects, clients generally limit the tender to contractors (or sub-contractors) they have pre-qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. However, price competitiveness of the bid is typically one of the most important selection criterion. In some cases we may enter into consortium arrangements with other companies to bid for contracts where we may not qualify on our own. We are currently qualified to bid for projects up to a certain value and size and therefore may not be able to compete for larger projects. Our ability to bid for and win major projects is also dependent on our ability to show experience of working on other similar ETC-BTG, O&M and civil contracts in the power sector and developing a track record of executing more technically complex projects. If we are unable to pre-qualify for projects that we intend to bid on, or successfully compete for and win such projects, our business, results of operations and financial condition may be adversely affected.

2. ***Our Order Book does not represent our future revenues and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.***

Order Book calculation may vary across industries and companies, and the manner in which we calculate our Order Book may be subjective and vary from that followed by other companies including our competitors. Our Order Book as of a particular date comprises estimated revenues from (i) the unexecuted portions of existing contracts as of such date; (ii) contracts for which definitive agreements have been executed; and (iii) contracts for which letters of intent/ award have been issued by the client, although definitive agreements have not yet been executed as of such date. Our Order Book includes estimated revenues from certain contracts that we identify as suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months resulting from factors beyond our control. The portion of the work that has been completed, but awaiting certification by the customer, is recognized as unbilled revenue. However, any claims, variations and incentives are recognized as revenue only on certification or confirmation by the customer. Our estimated Order Book as of March 31, 2015 was ₹ 34,062.68 million, including ₹ 1,896.68 million of Order Book related to projects that have been suspended for more than six months. In addition, the projects that were classified as ―suspended projects as of March 31, 2015, i.e. contracts on which no operations had been conducted for a period exceeding six months as of March 31, 2015, contributed ₹ 82.02 million, ₹ 597.93 million, ₹ 520.15 million, ₹ 214.49 million and ₹ 19.44 million of revenues in fiscal 2011, 2012, 2013, 2014 and 2015 respectively, and represented 2.36%, 8.48%, 5.58%, 1.81% and 0.14% of its total revenues in such financial periods. For further information on our Order Book, see *"Our Business- Order Book"* on Page 142.

Our Order Book does not necessarily indicate future earnings related to the performance of that work, as cancellations or unanticipated variations or scope or schedule adjustments may occur. Due to changes in project scope and schedule, we cannot predict with certainty when or if contracts in our Order Book will be performed. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to make the payments due. We cannot guarantee that the income anticipated in our Order Book will be realized, or, if realized, will be realized on time or result in profits. Any project cancellations or scope adjustments, which may occur from time to time, could reduce the amount of our Order Book and the income and profits that we ultimately earn from the contracts. Any delay, cancellation or payment default could have a material adverse effect on our business. For some of the contracts in our Order Book, our clients are obliged to perform or take certain actions, such as acquiring land, securing the right of way, clearing forests, providing owner supplied material, securing required licenses, authorizations or permits, making advance payments or opening of letters of credit, approving designs, approving supply chain vendors and shifting existing utilities. If a client does not perform such actions in a timely manner, and the possibility of such failure is not provided for in the contract, our projects could be delayed, modified or cancelled. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition. In addition, other than relatively stable revenues from our AMCs, there can be no assurance regarding the period in which such Order Book will be realized. The composition of our Order Book also affects anticipated operating margins relating to such contracts. Furthermore, there are various risks associated with the execution of large-scale projects particularly in the case of Ultra Mega Power Projects ("UMPPs"). Larger contracts may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. Managing large-scale projects including UMPPs may also increase the potential relative size of cost overruns and negatively affect our operating margins. We believe that our contract portfolio will continue to be relatively concentrated and if we do not achieve our expected margins or suffer losses on one or more of these large contracts, this could have a material adverse effect on our results of operations and financial condition. For information on the methods of recognition of revenue, see the sub sections titled *"Management's Discussion and Analysis of Financial Condition and Results of Operation-Significant Accounting Policies"* and *"Financial Statements-Restated Consolidated Financial Statements-Annexure IV Note 1"* on Pages 363 and 298 respectively.

3. Our Company and Promoters were subjected to search operations conducted by the Indian income tax authorities which could result in additional tax liability and other consequences and have a material adverse effect on our financial condition and results of operations.

The Director of Income Tax (Inv.), Hyderabad, conducted search operations at the residences of our Promoters, our Registered Office and our office at 2nd Floor, Lohia Towers, Nirmala Convent Road, Patamata, Vijayawada. During the course of the search and seizure operations, certain documents and articles were seized from different locations. In addition, panchnamas were issued to our promoters and Company who were further ordered not to part with certain records and articles which were present during the search operations. Additionally, summons were also issued to our Promoter, S. Kishore Babu, in his capacity as the Chairman and Managing Director of our Company to appear before the Deputy Director of Income Tax (Inv.) Unit –I (3), Hyderabad and was attended by him. For further information see the sub-sections titled, *"Outstanding Litigation and Defaults – Outstanding litigation/ proceedings filed against our Company- Tax Proceedings"* on Page 418.

Whilst our Company or Promoters have not received any demand notice from the Director of Income Tax or any other regulatory authority in connection with this matter, there can be no assurance that we will not be subject to further investigation, re-assessment or re-computation of income tax for the past assessment years and/or other action by the Director of Income Tax or any other regulatory authority in this matter.

In addition, we cannot assure you of the quantum of any tax liability that may ultimately be assessed or that the provision we intend to make will be sufficient to cover any such tax liability that is finally assessed. Further, we cannot assure you that the Income Tax Department will not make any further enquiries, extend or expand the scope of its investigation or take regulatory action against the Company. Moreover, the Income Tax Department could take action against our directors, Promoters, executive officers and/or employees, which could result in personal liability on their behalf.

Any further proceedings initiated relating to these matters may take up time and attention of our management, and any adverse ruling may have a material adverse effect on our reputation, business, financial condition and results of operations. Furthermore, if the final outcome of the search and seizure operations is adverse, we will be liable to pay the demand raised and any additional amounts as may be imposed by the income tax authorities or other penalties, which could have a material adverse effect on our financial condition and results of operations.

4. ***We are exposed to time and cost overrun risks on our lump-sum price and item rate contracts, resulting in reduced profits or losses.***

Although some of our projects are cost-reimbursable contracts that allocate the risk of time and cost overruns to our clients, a significant proportion of our contracts are lump-sum or item rate contracts where we bear the risk of time and cost overruns unless contractually excluded under certain circumstances such as changes in scope of work. In the Erection Works business, most of our gas and steam turbine contracts are lump-sum contracts while most contracts in our O&M business, other than AMCs, are usually a combination of lump-sum and item rate contracts. Our expenditure in executing a lump-sum contract may vary substantially from the assumptions underlying our bid for several reasons, including unanticipated changes in engineering design of the project, unanticipated increases in the cost of equipment, material or manpower, delays associated with the delivery of equipment and materials to the project site, 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' failure to perform. We may also continue to place reliance on certain suppliers from whom we may have procured materials in the past. For example, certain of our construction equipments, like crane, are procured from a few suppliers who in our opinion are reliable and follow the best practices. Equipment, materials, fuel and sub contract costs constitute a significant part of our operating expenses, and unanticipated increases in such costs if not taken into account in our bid may adversely affect our results of operations. Our expenses incurred on a project may increase beyond the lump-sum price or item rate we have agreed, on account of various factors, including:

- unanticipated increases in the cost of equipment, materials or manpower;
- delays associated with the delivery of equipment and materials to the project site;
- unforeseen construction conditions, including inability of the client to obtain requisite environmental and other approvals, resulting in delays and increased costs;
- delays caused by weather conditions;
- local strikes, work stoppages, and curfews by political parties;
- adverse changes to the relevant legal, regulatory or tax regimes;
- suppliers' or subcontractors' failure to perform; and
- delays caused by the parties to the contract.

In many of these contracts, we may not be able to obtain compensation for additional work performed or expenses incurred. Even under our cost-reimbursable contracts, where we do not bear the risk of cost-overruns, costs can exceed client expectations, resulting in delays or even cancellations of the contract. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our results of operations.

5. ***We have in the past been involved, and may continue to be involved, in claims in relation to compensation to workmen/ employees as a result of loss of life/ injury. In addition to the compensation that we are required to pay in such cases, we may also face disruption due to such incidents at our work sites, which may affect our business, financial condition and results of operations.***

In the past, accidents have occurred at our work sites which have resulted in the loss of life and injury and have led to claims of compensation, disruption at our work sites and the further imposition of liability. Although we employ safety procedures in the operation of our work sites, we cannot assure you that such incidents will not occur at any of our work sites in the future. Further, any such incident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant.

Interruptions in work may also increase our costs and reduce our profits, and may require us to make substantial capital expenditure to remedy the situation or to defend litigation that we may become involved in as a result.

Any disruption at our work sites due to such incidents, payment of compensation, the costs to defend any action or the potential liability resulting from any such incidents or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition and results of operations.

A total of 22 incidents of loss of life and 2 incidents of injury have occurred on our work sites in fiscal 2014 and fiscal 2015. The total claims made against our Company/compensation directed to be paid by the concerned labour officer as result of the foregoing amounted to ₹ 17.14 million, out of which, our Company has paid an amount of ₹ 17.14 million towards 24 claims. For further details of such incidents, please refer to the sub-section titled "*Outstanding Litigation and Defaults- Litigation involving our Company- Outstanding litigation/proceedings filed against our Company- Labour* matters" on Page 404.

6. ***Risks inherent to power sector projects could materially and adversely affect our business, financial condition and results of operations.***

Most of our projects are in the power sector in India and internationally. Power sector projects have long gestation periods before they become operational and carry project-specific as well as general risks. These risks are generally beyond our control and include:

- political, regulatory, fiscal, monetary and legal actions and policies that may adversely affect the viability of power projects, and have an adverse effect on our future projects.
- changes in government and regulatory policies relating to the power sector (including withdrawal of fiscal or other incentives which may have been provided by the government);
- delays in the construction of projects we are engaged on;
- adverse changes in demand for, or the price of, power generated or distributed by the projects we are engaged on;
- the willingness and ability of consumers to pay for the power produced by projects we are engaged on;
- shortages of, or adverse price developments for, raw materials and key inputs for power production such as coal and natural gas;
- increased project costs due to environmental challenges and changes in environmental regulations;
- potential defaults under financing arrangements of project companies and their equity investors;
- failure of our consortium partners to perform their contractual obligations;
- failure of third parties such as contractors, fuel suppliers, sub-contractors and others to perform on their contractual obligations in respect of projects we are engaged on;
- adverse fluctuations in interest rates or currency exchange rates;
- economic, political and social instability (such as creation of new state boundaries in India) or occurrences such as natural disasters, armed conflict and terrorist attacks, particularly where projects are located or in the markets they are intended to serve;
- delay in obtaining/renewing regulatory or environmental clearances and suspension or cancellation due to non-conformity with conditions stipulated under the clearance; and
- any delay in acquisition of land for projects we are engaged on.

In addition, any significant change in the project plans of our clients or change in our relationship with these existing clients may affect our business prospects. Furthermore, successful implementation of the projects we are engaged on are dependent on our client's financial condition, as any adverse change in their financial condition may affect the financing and consequently the implementation of the projects. In the event the power projects we are engaged on are cancelled or delayed or otherwise adversely affected, our results of operations and financial condition could be materially and adversely affected.

7. ***Our business is working capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.***

Our business requires a significant amount of working capital which is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of working capital are required to finance the purchase of materials and the performance of erection and other work on projects before payment is received from clients. Our working capital requirements may increase due to an increase in the size of our operations and the number and size of projects that are required to be executed within a similar timeframe. Since the contracts we bid typically involve a lengthy and complex bidding and selection process which is affected by a number of factors, it is generally difficult to predict whether or when a particular contract we have bid for will be awarded to us and the time period within which we will be required to mobilize our resources for the execution of such contract. In addition, we may need to incur additional indebtedness in the future to satisfy our working capital requirements.

Most of our projects provide for progress payments from clients with reference to the value of work completed upon reaching certain milestones. Generally, in our power sector projects, the client, or a third party authorized under the contract, usually makes payment against invoices raised upon mutual agreement. The client then effects payments with reference to these invoices generally within 45 to 60 days, which may be further delayed in some cases. As a result, significant amounts of our working capital is required to finance the purchase of materials and the performance of our work on projects before payment is received from clients. In addition, a portion of the contract value, generally 5% to 10%, is usually withheld by the client as retention money and is released upon the testing of the product and completion of the project.

We are typically required to provide financial and performance guarantees guaranteeing our performance and/or financial obligations in relation to a project. Some of the performance guarantees are secured by guarantees from banks. Our working capital requirements may increase if, in certain contracts, payment terms include reduced advance payments or payment schedules that specify payment towards the end of a project or are less favorable to us. Delays in progress payments or release of retention money or guarantees in form of bank guarantees from our clients may increase our working capital requirements. We may file a claim for compensation of the loss that we incurred pursuant to our contracts but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain.

In general, we may make provisions for bad debts, including those arising from progress payments or release of retention money, based primarily on ageing and other factors such as special circumstances relating to specific clients. There can be no assurance that the progress payments and the retention money will be remitted by our clients to us on a timely basis or that we will be able to efficiently manage the level of bad debt arising from such payment practice. Our working capital position is therefore also dependent on the financial position of our clients. All of these factors may result in increases in the amount of our receivables and short-term borrowings. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

8. ***Our operations are subject to various operational risks that could expose us to material liabilities, loss in revenues and increase in expenses. We may also be subject to liability claims arising from defects in services provided by us.***

Our operations are subject to hazards inherent in providing erection, civil and maintenance 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. Project sites often put our employees and others in close proximity with mechanized equipment, moving vehicles, high platforms and highly regulated materials. On many sites we are responsible for the safety of our workforce and must implement safety procedures. If we fail to implement such procedures or if the procedures we implement are ineffective, our employees and others may be injured. Unsafe work sites also have the potential to increase employee turnover, increase the cost of a project to our clients, and raise our operating costs. Any of the foregoing could result in financial losses, which could have a material adverse effect on our business, results of operations and financial condition. Although we endeavor to provide adequate insurance coverage and a safe working environment to all our employees, we cannot rule out the possibility of future accidents at our project sites.

Our safety record is critical to our reputation. Many of our clients require that we meet certain safety criteria to be eligible to bid for contracts and many contracts provide for termination of the contract in the event we fail to meet specified health and safety criterion. As a result, our failure to maintain adequate safety standards could result in reduced profitability or the loss of business, and could have a material adverse effect on our business, results of operations and financial condition. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations and the perception of our suppliers, clients and employees, leading to an adverse effect on our business.

We may also be subject to claims resulting from defects arising in the services provided by us within the warranty periods provided by us, which generally range from 12 to 24 months from the date of commissioning. Actual or claimed defects in equipment 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. Clients and subcontractors may not have adequate financial resources to meet their indemnity obligations to us.

We maintain insurance for a variety of risks, including risks relating to construction equipment and other similar risks. While we believe that the insurance coverage which we maintain directly or through our contractors, would be reasonably adequate to cover the 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. Any liability in excess of our insurance limits could result in additional costs, which would reduce our profits and adversely affect our business and results of operations. For further information, see *"Our Business"* on Page 148.

9. Our operations are dependent on a large pool of contract labour and an inability to access adequate contract labour at reasonable costs at our project sites across India may adversely affect our business prospects and results of operations.

Our operations are significantly dependent on access to a large pool of contract labour for our construction work and the execution of our projects. As of June 30, 2015, while we had 2,271 full time employees, we also employed 31,219 contract labour. The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to incur additional costs to ensure timely execution of our projects.

The utilization of our workforce is affected by a variety of factors including our ability to forecast our project schedules and contract labour requirements, and our ability to transition employees from completed projects to new projects or between projects. While our forecasts and estimates are based upon our experience and historical costs, such estimates may be unreliable. The uncertainty of contract award timing can present difficulties in mobilizing contract labour based on the contract requirements and our expenses towards contract labour may also increase.

In addition, there may be local regulatory requirements relating to use of contract labour in specified areas and such regulations may restrict our ability to recruit contract labour for a project. Furthermore, all contract labourers engaged in our projects are assured minimum wages that are fixed by the relevant State governments, and any increase in such minimum wages payable may adversely affect our results of operations.

10. Our Company is involved in certain legal, regulatory and arbitration proceedings that, if determined against us, may have an adverse effect on our business, financial condition and results of operations.

We are currently, and may in the future be, implicated in lawsuits in the ordinary course of our business, including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions, consumer cases and other matters. Litigation or arbitration could result in substantial costs to, and a diversion of effort by, us and/or subject us to significant liabilities to third parties. There are various outstanding legal proceedings, including criminal proceedings, writ petitions and labour related proceedings, etc., against our Company pending at various levels of adjudication before various courts, tribunals, authorities and appellate bodies in India. In addition we are subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage.

We cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that we will be able to recover any losses incurred from third parties, regardless of whether we are at fault. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses will be sufficient to cover our ultimate loss or expenditure. Details of civil and criminal proceedings that have been initiated against our Company, our Promoters, our Group Companies, our Directors and our Subsidiaries and the amounts claimed in these proceedings, to the extent ascertainable, are set forth below:

S. No.	Name of entity/person	Civil case	Criminal case	Total amount involved (excluding deposits)
1.	Our Company	1	6	₹ 0.00
2.	Our Promoters	-	6	₹ 0.00
3.	Group Companies	-	-	₹ 0.00
4.	Our Directors	1	6	₹ 0.00
5.	Our Subsidiaries	-	-	₹ 0.00

The details of civil and criminal cases filed by our Company, our Promoters, our Group Companies, our Directors and our Subsidiaries are disclosed in the table below:

S. No.	Name of entity/person	Civil case	Criminal case	Total amount involved
1.	Our Company	3	2	₹ 15.24 million*
2.	Our Promoters	-	-	₹ 0.00
3.	Group Companies	-	-	₹ 0.00
4.	Our Directors	-	-	₹ 0.00
5.	Our Subsidiaries	-	-	₹ 0.00

**A counter claim of ₹24.57 million has been filed by the other party.*

Our Company is involved in 18 tax matters, 12 claims under the Motor Vehicles Act, 1988 and an ongoing arbitration proceeding. Also, our Promoters, Group Companies, Directors and Subsidiaries are involved in certain tax and labour matters, and other statutory violations. For details, see *"Outstanding Litigation and Defaults"* beginning on Page 402.

Additionally, during the course of our business we also receive notices from various statutory authorities primarily related to the labour employed by us for our projects.

Our Company has been issued notices from statutory and other regulatory authorities for non-compliance under labour laws and various notices have been issued to our Company by non-governmental organizations and labour unions with respect to work undertaken by us at some project sites. Our Company has responded as appropriate to such notices related to the labour employed and related factors therein, in addition to also receiving notices from various non-government organisations. Our Company has also received a notice for non-compliance of certain provisions of the Companies Act, 1956. For details of these cases, see *"Outstanding Litigation and Defaults"* on Page 410.

Further, prospective investors may note that certain Directors and officials of our Company have been impleaded in certain of these cases in their respective official capacities. For details of these cases, see *"Outstanding Litigation and Defaults"* on Page 434.

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

As at March 31, 2015 we had secured long term borrowings aggregating ₹ 365.75 million and short term borrowings aggregating ₹ 1,997.41 million. In addition, 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 may be used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be affected;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness are at variable interest rates;

- there could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be more vulnerable to economic downturns.

Most of our financing arrangements are secured by our present and future receivables, movable and immovable assets. 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. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. Specifically, we require, and may be unable to obtain, lender consents to incur additional debt, undertake guarantee obligations, issue equity, change our capital structure, transfer shares held by majority Shareholders/Promoter Directors to third parties, provide additional guarantees, invest by way of share capital, lend and advance funds, place deposits, change our management structure, undertake any new project or implement any scheme of expansion, or merge with or acquire other companies, whether or not there is any failure by us to comply with the other terms of such agreements. Under certain of these agreements, in an event of default, we are also required to obtain the consent of the relevant lender to pay dividends. Furthermore, some of our financing arrangements permit our lenders to convert the debt into equity upon an event of default. Some of our lenders also have the rights to nominate a director on our Board during the subsistence of the credit facility. For further information, see *"Financial Indebtedness"* beginning on Page 393.

We believe that our relationships with our lenders are good, and we have in the past obtained consents from them to undertake various actions and have informed them of our corporate activities from time to time. Compliance with the various terms of such financing arrangements, however, is subject to interpretation and there can be no assurance that we have requested or received all relevant consents from our lenders as contemplated under our financing arrangements. It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities and trigger cross default provisions under certain of our other financing agreements, and may materially and adversely affect our ability to conduct our business and operations or implement our business plans. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest. Moreover, our ability to borrow and the terms of our borrowings depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment.

12. Our business is dependent on maintaining relationships with our clients and joint venture partners including consortium arrangements.

Our business is dependent on ETC-BTG, O&M and civil works projects undertaken for various government and private clients. Pre-qualification is key to our winning major projects and we continue to develop on our pre-qualification status through focused client development efforts and entering into strategic joint partnerships and consortium arrangements with other service providers. We have developed long term relationships with various public sector undertakings and private sector clients, including large EPC companies that operate in the power sector as well as other infrastructure and allied sectors. We believe that our long term relationships with our clients enable us to better understand our clients' requirements and better evaluate the scope of work and risks involved in a project we bid for, as well as address changing demands in our target markets. Our business is therefore significantly dependent on developing and maintaining relationships with our clients and strategic alliances with joint venture partners and consortium partners who facilitate the growth of our business. For example, in order to provide comprehensive O&M solutions, we have entered into a joint venture agreement dated December 1, 2014, with Chengdu Pengrun New Energy Development Company Limited, a company registered under PRC laws, to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

There can be no assurance that we will be able to maintain historic levels of business from our existing clients or develop new clients. Similarly, there can be no assurance that we will be able to continue to enter into strategic joint venture or consortium arrangements which could have a significant effect on our business, results of operations and financial condition.

13. ***Any slowdown or work stoppages at our project sites may have a material adverse effect on our business, financial condition and results of operations.***

Our projects are subject to various operational risks including, among various factors, the breakdown or failure of equipment, power supply or processes, labour disputes, natural disasters, accidents and the need to comply with applicable legal and regulatory requirements. The occurrence of any of these factors could significantly affect our results of operations and financial condition. Any disruption in our operations due to disputes or other issues with our employees or contract labour work force may adversely affect our business and results of operations. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, there can be no assurance that we will not face such disruptions in the future.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Also any upward revision of the prescribed minimum wage or other benefits required to be paid to our workers (including in the event of injuries or death sustained in course of employment, dismissal or retrenchment) will result in the increase in cost of labour which we may be unable to pass on to our customers due to market conditions and also the pre agreed conditions of contract. This would result in us being required to absorb the additional cost, which may have a material adverse impact on our profitability. Further we also depend on third party contractors for the provision of various services associated with our business. Such third party contractors and their employees/workmen may also be subject to these labour legislations. We have in recent periods terminated the employment of a large number of employees that were employed under short term contracts, typically for two year terms. These employees have instead been employed by sub-contractors providing support to our O&M services, particularly, AMC contracts. Consequently, we had 2,271 full time employees as of June 30, 2015 compared to 3,878 full time employees as of March 31, 2014. Although the employees were provided alternate employment by such sub-contractors on terms substantially similar to those during employment with our Company, there can be no assurance that we will not face any claims of dismissal or retrenchment or related disputes with such former employees. We have in the past also made compensation and related payments in relation to fatal accidents that have occurred at our project sites.

14. ***A significant part of our business transactions are with government or government funded entities or agencies which may expose us to risk, including additional regulatory scrutiny and pricing pressure. Any change in government policies or focus may affect our business and results of operations.***

Our business is primarily dependent on projects in the power sector undertaken by power utilities, many of which are public sector undertakings. In relation to such government contracts, we may be subject to additional regulatory scrutiny associated with commercial transactions with government owned or controlled entities and agencies. Furthermore in certain instances, we may face delays associated with collection of receivables from government owned or controlled entities.

Contracts with government agencies are subject to various uncertainties, restrictions, and regulations including oversight audits by various government authorities and profit and cost controls. For example, government agencies routinely review and audit government contractors to determine whether costs are in accordance with applicable regulations. These audits can result in adjustments to the amount of contract costs we believe are reimbursable by the agencies. If we violate a rule or regulation, fail to comply with a contractual or other requirement or do not satisfy an audit, a variety of penalties can be imposed including monetary damages and criminal and civil penalties. In addition, any or all of our government contracts could be terminated and we could be suspended or debarred from all government contract work, or payment of our costs could be disallowed. The occurrence of any of these actions could harm our reputation and could have a material adverse effect on our business, results of operations and financial condition.

In addition, since government contracts are subject to specific procurement regulations and a variety of other socio-economic requirements, our clients must comply with such requirements. We must also comply with various other government regulations and requirements as well as various statutes related to employment practices, environmental protection, recordkeeping, and accounting. These regulations and requirements affect how we transact business with our clients and, in some instances, impose additional costs on our business operations. Government contracts also contain terms that expose us to heightened levels of risk and potential liability than non-government contracts. Further, any change in the government (including creation of new States from existing States similar to the State of Telangana which was created out of the State of Andhra

Pradesh) or changes in governmental policies or practices that results in a slowdown in power projects, may adversely affect our business and results of operations.

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

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

16. The auditor's report on our Restated Consolidated Financial Statements highlight certain matters relating to the Companies (Auditors' Report) Order, 2003.

Although there are no audit qualifications to our audited or Restated Consolidated Financial Statements for fiscal 2011, 2012, 2013, 2014 and 2015, the auditors have highlighted certain matters relating to the Companies (Auditors' Report) Order, 2003, as annexed to the audit reports on our audited financial statements for fiscal 2011, 2012, 2013, 2014 and 2015 and as more fully disclosed in note 2(c) to Annexure IV of our Restated Consolidated Financial Statements beginning on Page 302. In particular, the Auditor's report on our Restated Consolidated Financial Statements and the Restated Standalone Financial Statements highlight certain matters with respect delay in payment of statutory dues in fiscal 2011, 2012, 2013, 2014 and 2015. For further information on such matters relating to, among other factors, delays in payment of certain statutory dues, and certain inadequacies in financial reporting procedures of our Company in the past, see note 2(c) to Annexure IV of our Restated Consolidated Financial Statements on Page 302.

17. An inability to effectively manage project execution and milestone schedules may lead to project delays which may adversely affect our business and results of operations.

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby materially and adversely affect our profitability. Further, our contracts typically provide specified milestones to be achieved within a specific timeframe, and we may be liable to our clients for any failure to meet such project milestones within the stipulated schedule in accordance with the terms of the relevant contract. The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors, including:

- delays in receipt of work schedules and engineering inputs, approvals and decisions required from the client;
- delays in delivery of raw materials, components or equipment;
- changes to project plans and process requirements;
- delays due to interface issues with other contractors employed by the customer;
- delays in performance by the sub-contractors;
- delays due to environmental considerations;
- delays in receiving the necessary regulatory clearances, approvals and certifications or delay in renewal of the same;
- onsite accidents and accidents during delivery and installation of our products;
- delays in transportation of equipment and construction material;
- unavailability of skilled and unskilled labour;
- local strikes, work stoppages and curfews by political parties;
- adverse weather conditions; and
- adverse changes to the relevant legal, regulatory or tax regimes.

Additionally, in some contracts, in case of delay due to our fault or because of defective work done by us, clients have the right to rectify the defective work, or engage a third party to complete the work and to deduct additional costs or charges incurred for completion of the work from the contract price payable to us. Further, in our contracts our clients may be required to obtain statutory approvals for right of way, acquire land and make payments towards crop and tree compensation, increasing the risks of idling of resources and delay, as well as our liabilities. In addition, most contracts that we enter into are subject to certain completion schedule requirements with liquidated damages in the event schedules are not met as a result of circumstances within our control. Further if a project is delayed our customers may invoke the bank guarantees that we have provided in connection with the performance of the project or retain our security deposits as compensation for such damages. Such factors would have an adverse effect on our results of operations and financial condition.

18. An inability to successfully implement our international expansion plans and strategic diversification into other industries may adversely affect our business and growth prospects, results of operations and financial condition.

We intend to increase our international operations, particularly in the Middle East, North Africa and South Asia. We also intend to leverage our strong track record and experience in the power sector to strategically diversify into other infrastructure and allied sectors including the petro-chemical, steel and cement industries. In addition, we continue to focus on developing comprehensive O&M solutions by supplying equipment and spare parts through our strategic joint venture in Hong Kong and also intend to set up a large heavy engineering fabrication facility at Noida for non-critical equipment and spare parts.

We have limited experience of operating in other industries and on international projects, and our expansion and diversification plans may involve significant risks unfamiliar to us. These businesses may require significant capital and other resources, as well as management attention, which could place a burden on our resources and abilities. These businesses are also subject to significant regulation, which may change. We are in the early stages of our expansion and diversification strategies and may not be able to properly assess the risks, economic viability and prospects of such opportunities. We may not be successful in developing these businesses and there can be no assurance relating to any revenues from or profitability of such business opportunities we intend to pursue.

Furthermore, there can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to our future operations. Further, our continued expansion and diversification strategy increases the challenges involved in financial and technical management, recruitment, training and retaining sufficient skilled technical and management personnel, and developing and improving our internal administrative infrastructure. An inability to successfully implement our international expansion plans and strategic diversification into other industries may adversely affect our business and growth prospects, results of operations and financial condition.

19. Delays in land acquisition or litigation and other forms of opposition from local communities and other parties may adversely affect our results of operations and financial condition.

The environmental impact of the power projects we are engaged on depends on the location of the project and the surrounding ecosystem. Further, the construction and commissioning of power projects may require the displacement or relocation of local communities or may otherwise disrupt their activities and livelihoods, especially during the project construction period.

There can be no assurance that we or our clients will not be subject to litigation or other forms of opposition from public interest groups, local communities or non-governmental organizations, in relation to the environmental impact of the projects we are engaged on or in relation to land acquisition and construction activities on such projects and the consequent displacement and rehabilitation of affected communities. Any such claims or other opposition may delay or prevent the execution of our projects. Our clients may be required to bear substantial compliance, rehabilitation and other liabilities, which may lead to significant increases to the project development costs and delay projects. As a result, our business, results of operations and financial condition may be adversely affected.

20. We may incur liabilities resulting from the non-performance of any of our consortium partners in a consortium arrangement, which could have a material adverse effect on our business and results of operations.

We selectively enter into consortium arrangements to bid for and execute projects where we are not prequalified or do not have the requisite experience or engineering capability. Under the contracts that we execute through consortium arrangements, we are generally jointly and severally liable with our consortium partners, for, among other matters, breaches or non-performance of such contract. The inability of any consortium partner to continue with a project, due to financial or other difficulties, could result in us being required to bear increased and, at times, sole responsibility for the completion of the project and bear a greater share of the financial risk of the project. Further any disputes that may arise between us and our strategic partners may cause delays in completion or the suspension or abandonment of the project. In the event that a claim, arbitration award or judgement is awarded against the consortium, we may be responsible for the entire claim.

We cannot assure that our relationships with our consortium partners in the future will be amicable or that we will have any control over their actions. The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

21. We operate in a highly competitive industry and an inability to compete effectively may lead to a lower market share or reduced operating margins.

We operate in a competitive environment. The principal factors affecting competition include: price; customer relationships; technical excellence or differentiation; service quality; health, safety and environmental standards and practices; financial strength; breadth of technology and technical sophistication and risk management awareness and processes. The level of competition also varies depending on the sector or business vertical, as well as the size, nature and complexity of the project and the geographical region in which the project is to be implemented.

We compete both against international and domestic companies operating in our industry. Some of our international competitors may have greater financial and other resources and better access to capital than we do, which may enable them to compete more effectively for large scale project awards. Competitors may, whether through consolidation or growth, present more credible integrated and/or lower cost solutions than we do, causing us to win fewer tenders as we may lack the pre-qualification criterion required in certain sectors of our business. If we do not succeed in being awarded the contracts for projects, we could fail to increase, or maintain, our volume of order intake and operating revenues. There can be no assurance that we can continue to effectively compete with our competitors in the future, and the failure to compete effectively could have a material adverse effect on our business, financial condition and results of operations. Moreover, the competitive nature of the industry may result in lower prices for our services and decreased gross profit margins, either of which may materially adversely affect our profitability.

In addition, as we seek to strategically diversify into other infrastructure and allied sectors such as the petrochemicals, steel and cement industries, we expect to receive extensive competition from established service providers in these sectors and industries, including competitors with greater financial and other resources.

22. An inability to obtain sufficient funding in the future could result in the delay or abandonment of our expansion and diversification strategies and may have a material adverse effect on our business and results of operations.

Our future expansion and diversification plans are dependent on various circumstances, including business developments, new business or investment opportunities or unforeseen contingencies. We may require additional external funding to meet our expenditure plans related to expansion and diversification plans, including borrowings or sale of equity or debt securities. An inability to obtain sufficient funding in the future could result in the delay or abandonment of our expansion and diversification strategies. In addition, if we raise additional funds through incurrence of debt, our interest and debt repayment obligations will increase, and we may be subject to additional covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our current projects and other laws that are conducive to our raising capital in this manner. We cannot assure that we will be able to raise adequate financing to fund future capital requirements on acceptable terms, in time or at all. Any failure to obtain sufficient funding could result in the delay or abandonment of our development and expansion plans and would have a material adverse effect on our results of operations and financial condition.

23. We have not entered into any definitive arrangement to utilize certain portions of the net proceeds of the Issue. Our funding requirements and deployment of the Net Proceeds of the Issue are based on

management estimates and have not been independently appraised, and are not subject to monitoring by any independent monitoring agency.

We intend to use the net proceeds of the Issue for the purposes described in *"Objects of the Issue"* on Page 102. The objects of the Issue and our funding requirement (including our working capital requirement) is based on management estimates and have not been appraised by any bank or financial institution, and are not subject to any monitoring by any independent agency. These are based on current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. In addition, we have not entered into any definitive agreements to utilize the net proceeds of the Issue. Our management, in accordance with the policies established by our Board of Directors from time to time, will have flexibility in deploying the net proceeds of the Issue. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our project and capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows. We may make necessary changes to the utilization of net proceeds in such cases in conformity with the provisions of the Companies Act in relation to the change in the objects in a public issue. In the event of any variations in actual utilization of funds earmarked for the above activities, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals.

24. Our success depends on our senior management and skilled manpower and an inability to attract and retain key personnel may have an adverse effect on our business prospects.

Our experienced senior management and Directors have had significant contribution to the growth of our business, and our future success is dependent on the continued service of our senior management team. An inability to retain any key management personnel may have an adverse effect on our operations. Our ability to execute orders and to obtain new clients also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly project managers. We continue to face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In particular, we may be unable to compete with other larger companies for suitably skilled personnel due to their ability to provide more competitive compensation and benefits. The loss of any of the members of our senior management team, our whole time directors or other key personnel or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business, results of operations, financial condition and growth prospects.

25. An increase in employee and contract labour, equipment and material or fuel costs may adversely affect our results of operations.

We incur a majority of our expenses towards contract execution which primarily include employee and contract labour costs, other subcontractor expenses, equipment and material costs and fuel costs. We also hire certain construction equipment for our projects. The cost and supply of employee and contract labour, equipment and material costs or fuel costs depend on various factors beyond our control, including general economic conditions, competition, supply of materials and equipment and transportation costs. Furthermore, our ability to pass on increases in such costs may be limited under lump-sum price or item rate contracts. Such unanticipated increases in costs may impair our ability to meet construction schedules and our business and results of operations may be adversely affected.

26. Claims made by us against our clients for payments and failure by us to recover adequately on future claims in part or at all could have a material adverse effect on our financial condition, results of operation and cash flows.

Project claims are brought by us against our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the client. These claims are often subject to lengthy discussions and delayed clearances or acceptance from customer and in some cases we may have to resort to arbitration or litigation proceedings. The costs associated with these changes or client caused delays include additional direct costs, such as labour 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 labour costs resulting from changes in labour markets. We may have used significant additional working capital in projects with cost overruns pending the resolution of the relevant project claims. In general, we cannot guarantee that such claims will be paid, in part or at all. Project claims may continue in the future. We may also face a number of counterclaims initiated against us by certain clients in connection with our project claims. If we are found liable for any of these claims, we would have to resort to write downs and charges against our earnings to the extent a reserve is not established. Failure to recover amounts under these claims and/or counterclaims could have a material adverse effect on our results of operations, liquidity and financial condition. For further information relating to claims by or against us, see *"Outstanding Litigation and Defaults"* on Page 402.

27. We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.

The power sector and other industries where we intend to increase our operations are regulated by laws, rules and regulations issued by various regulatory authorities. These laws, rules and regulations have changed significantly over the years, and there can be no assurance that any future changes to such regulations will not adversely affect our business prospects, results of operations or financial condition.

We, our clients and the developers of the projects we are engaged on, may require various regulatory approvals, sanctions, licenses, registrations and permissions including environmental clearances in connection with our operations and the various project development activities involved in such projects. We or our clients may face significant uncertainties due to various factors in obtaining or maintaining such approvals. If such approvals are not obtained in a timely manner or at all, there may be a material adverse effect on various project development activities, including our operations, thereby adversely affecting our results of operations and financial condition. Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to incur substantial expenditures. If we fail to comply or a regulator alleges that we have not complied with these conditions, our business, prospects, financial condition and results of operations may be adversely affected. While we typically apply for the renewal of any existing regulatory approvals prior to their expiry dates, there can be no assurance that we will receive such renewal in time or at all. We have applied for the following regulatory approvals that have not been received as of the date of this Red Herring Prospectus:

S. No.	Concerned Authority	Approval/ Consent	Status
1.	Trademarks Registry, Government of India	Registration of the caption — Growth Unlimited under the Trademarks Act, 1999 along with the trademark — Power Mech logo owned by us	Pending
2.	Commercial Taxes Department, Patna, Bihar	Registration under the Central Sales Tax Act, 1956 for the region of Patna Special Circle	Pending
3.	Registration Officer, BOCW Act, Mirzapur Region, Pipri, Sonbhadra	Renewal of license bearing number 522 issued under the Building and other Construction Work (Regulation of Employment and condition of Service) Act, 1996	Pending for renewal
4.	Licensing Officer, Office of the Deputy Labour Commissioner, Mirzapur region, Sonbhadra	Renewal of license bearing number 278 issued under the Building and other Construction Work (Regulation of Employment and condition of Service) Act, 1996	Pending for renewal
5.	Assistant Labour Commissioner (Central), Madurai	Renewal of license bearing number 55(9)/2013-A/M/ISMW under the Inter State Migrant Workmen (Regulation of Employment and Condition of Service) Act, 1979 for the site at Tuticorin	Pending for renewal
6.	Assistant Labour Commissioner (Central) and Licensing Officer, Bhubaneshwar	Renewal of license bearing number L/II/57/2013 issued	Pending for renewal

S. No.	Concerned Authority	Approval/ Consent	Status
		under the Contract Labour (Regulation and Abolition) Act, 1970 for the site at Paradeep.	
7.	Assistant Labour Comissioner (Central) West Bengal	Renewal of license bearing number 46(20)/2011/E-3 issued under the Contract Labour (Regulation and Abolition) Act, 1970 for the site at Raghunathpur.	Pending for renewal
8.	Assistant Commissioner of Labour, Bharuch	Renewal of licence bearing no. AC2/BCH/CLA/106/04 under the Contract Labour (Regulation and Abolition) Act, 1970 for the site at Paguthan.	Pending for renewal
9.	Reserve Bank of India	Acquisition of 51% of the total shares of MAS Power Mech Arabia, in accordance with FEMA Regulations	Pending
10.	Excise and Taxation Department, Haryana	Registration under the Value Added Tax and Central Sales Tax Acts in the State of Haryana	Pending

In relation to the application made for trademark, please see *"Government Approvals- Pending Approvals"* on Page 452. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected.

28. We may be liable for any substandard quality work or materials delivered by suppliers or sub-contractors engaged by us.

The quality of work and materials delivered by suppliers and sub-contractors engaged by us for our projects has a direct impact on the overall quality of our construction work and the timeliness of our delivery. Although we generally ensure strict quality and process control measures for suppliers and sub-contractors, we may be subject potential claims against us by our clients in case of any substandard quality work or materials provided by our suppliers or sub-contractors. In such circumstances, our reputation may suffer and our business may be adversely affected. In addition, our resources could be strained by any claim that proceeds to litigation.

29. The demand for our services is dependent on investments in the power sector and other industries where we seek to expand and diversify our operations. Any economic downturn or other factors adversely affecting investments in such industries may result in a decrease in the demand for our services and adversely affect our business, results of operations and financial condition.

Demand for our services in the power sector and other industries where we seek to expand and diversify our operations depends on capital investments made by government and private sector companies operating in these industries. These industries are vulnerable to the prevailing economic conditions and sentiment, and such companies may defer major expenditures in such industries given the long development periods for large projects in the power and other infrastructure and allied industries. The financial market turmoil in the recent past and resultant tightening of credit impacted the financial ability of some of our clients or developers of large power and other infrastructure projects and manufacturing facilities which led to deferment of certain projects. Any tightening of availability of credit in the future may adversely affect our ability to fund capital investments for infrastructure projects resulting in cancellations or delays in projects. Such cancellation or deferrals may result in decreased demand for our services and could adversely affect our business, results of operations and financial condition. Furthermore, in the event that the GoI reduces its budgetary allocation for infrastructure projects in general or the power sector in particular due to any reason whatsoever, our business, results of operations and financial condition will be materially and adversely affected.

30. Our operations are subject to a variety of environmental laws and regulations including those relating to hazardous materials. Any failure to comply with applicable environmental laws and regulations could have an adverse effect on our financial condition and results of operations.

Our operations are subject to numerous environmental protection laws and regulations, which are complex and stringent. The construction, operation and maintenance of power plants, raw materials used in the development of power plants, the impact of noise pollution from construction activities and transportation at our project sites are subject to various environmental laws and regulations. In the event that such regulations become more stringent, such as increasing the requirements for obtaining approvals or meeting government standards, this could result in changes to the infrastructure necessary for power projects and their technical requirements, increasing the costs related to changing construction methods in order to meet government standards and increasing penalties for non-compliance. Furthermore, we may incur significant expenditure relating to operating methodologies and standards in order to comply with applicable environmental laws and regulations.

In addition, our projects may involve the handling of hazardous materials, which, if improperly handled or disposed of, could subject us to civil and criminal liabilities. Further certain environmental laws provide for joint and several liability for remediation of releases of hazardous substances, rendering a person liable for environmental damage without regards to negligence or fault on the part of such person. In addition to potential liabilities that may be incurred in satisfying these requirements, we may be subject to claims alleging personal injury or property damage as a result of alleged exposure to hazardous substances. We are also subject to regulations dealing with occupational health and safety. Such laws and regulations may expose us to liability arising out of the conduct of operations or conditions caused by others, or for our own acts. Sanctions for failure to comply with these laws, rules and regulations, many of which may be applied retroactively, may include administrative, civil and criminal penalties, revocation of permits and corrective orders. For further information on the regulatory authorities and applicable rules and regulations, see the section titled *"Regulations and Policies"* on Page 150.

31. An inability to adapt to the changing needs of the industry and specific requirements of our clients in the power sector and in the other industries we intend to diversify into may adversely affect our business prospects, results of operations and financial condition.

Our future success will depend in part on our ability to address the changing needs of the industry and specific requirements of our clients in the power sector as well as the other industries that we seek to diversify into, including evolving engineering and construction technologies and processes. There can be no assurance that we will be able to address these requirements in a cost effective and timely manner, or at all. We may not have access to advanced construction technologies, processes or equipment and may not succeed in adopting emerging industry standards and processes in a cost-effective and timely manner. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely and cost effective manner to changing market conditions, customer requirements or technological changes, our business operations and financial performance could be adversely affected.

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

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by debt and increases in interest rate (and consequent increase in the cost of servicing such debt) may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

33. An inability to successfully manage our growth may adversely affect our business prospects.

We have experienced significant growth in recent years. While there can be no assurance that the growth in our operations and increase in revenues experienced in the past will continue in the future, if we continue to grow in accordance with our estimates and our strategic business plans, such growth will place significant demands on our operations and will require us to continuously evolve and improve our operational, financial and internal controls across our organization. As part of our growth strategy, we continue to diversify our services into additional industries such as petrochemicals, steel and cement and continue to expand our service offerings. However, our limited experience working on projects in such other industries may affect our ability to successfully deliver on such projects, which could hamper our growth prospects and may also damage our reputation. In addition, continued expansion and diversification of our operations increases the challenges involved in:

- maintaining high levels of project control, management and client satisfaction;
- ability to bid for and win projects in other industries;
- successfully executing such projects;
- recruiting, training and retaining sufficient skilled management, technical and marketing personnel;
- operating in jurisdictions where we have limited experience;
- adhering to health, safety and environment and quality standards that meet client expectations;
- preserving a uniform culture, values and work environment in our operations; and
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

An inability to successfully manage our growth may have a material and adverse effect on our business, results of operations and financial condition.

34. We may undertake strategic acquisitions or investments, which may prove to be difficult to integrate and manage or may not be successful.

In the future, we may consider making strategic acquisitions of other companies whose resources, capabilities and strategies are complementary to and are likely to enhance our business operations. There can be no assurance that we will identify suitable acquisition or investment opportunities, or that if we do identify suitable opportunities, that we will complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable acquisition opportunities or investments or the inability to complete such transactions may materially and adversely affect our competitiveness and growth prospects. If we complete such an acquisition, we could face difficulty in integrating the acquired operations. In addition, key personnel of the acquired entity may decide not to work for us. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. There can be no assurance that we will be able to achieve the strategic purpose of such acquisition or operational integration or our targeted return on investment.

35. Fluctuations in the cost and availability of third party transportation service providers may adversely affect our operations or result in increased operating costs.

We rely on third-party service providers for material supplies such as steel and cement as well as for transportation of our construction equipment to project sites. We also utilize third party transportation providers for mobilising our workforce to and between our project sites. The cost and availability of such transportation services is dependent on various factors beyond our control, including general economic conditions, commercial activity levels and demand for such services. Transport strikes and related logistics issues may have an adverse effect on our operations, affecting supply of materials, equipment or labour to our project sites. A significant increase in transportation costs may also have an adverse effect on our results of operations. As a percentage of total revenues, the transportation cost was 1.05%, 0.73%, 0.51% and 0.76% in fiscal 2012, 2013, 2014 and 2015 respectively.

36. The success of our business is dependent on various construction and other operating procedures developed by us which knowhow cannot be protected under any particular intellectual property right regime.

We have over the years developed expertise and know how relating to various construction and other operating methodologies and procedures utilized by us in executing our construction projects in an efficient manner within the completion schedules specified by our clients. We believe that this know-how provides us with a significant competitive advantage. However, such expert knowhow cannot be protected under any particular intellectual property right regime. In order to help maintain the confidentiality of our technical know-how, we maintain internal controls and systems and enter into non-disclosure agreements with some of our employees and clients. However, if we are unable to maintain the confidentiality of our technical know-how relating to our construction and other operating methodologies, it could have a material adverse effect on our business.

37. Our clients' and our own technical know-how or other confidential information may be misappropriated by our employees in violation of applicable confidentiality agreements.

Although we require our employees to enter into non-disclosure arrangements to limit access to and distribution of our clients' and our technical know-how and other confidential information, there can be no assurance that such steps will be adequate to ensure protection of such information. If any of our clients' or our proprietary rights are misappropriated by our employees, this may affect our reputation and relationship with existing and potential clients, and adversely affect our business operations.

38. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As of March 31, 2015, our contingent liabilities as disclosed in the notes to our Restated Consolidated Financial Statements aggregated to ₹ 5,674.83 million. The following table sets forth certain information relating to our contingent liabilities as of March 31, 2015:

Particulars	**Amount (₹ in million)**
A) Contingent Liabilities	
Claims against the Company not acknowledged as debts- sales tax	63.73
Claims against the Company not acknowledged as debts- service tax	42.81
B) Capital Commitments	80.49
Total	**187.03**

In addition to the above, the following table sets forth the bank guarantees issued by our bankers' on our behalf as of March 31, 2015:

Particulars	**Amount (₹ in million)**
Guarantees given by the Company's bankers and outstanding which are covered by way of pledge of fixed deposits with banks.	5,487.80
Total	**5,487.80**

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected.

39. We have not registered one of the trademarks used by us for our business and our inability to obtain or maintain this registration may adversely affect our competitive business position. Our inability to protect or use our intellectual property rights may adversely affect our business.

Although we own a trademark in the Power Mech logo along with symbol, we have not registered the caption - Growth Unlimited along with the aforementioned trademark owned by us. We have made an application for registration of the caption - Growth Unlimited along with the - Power Mech logo and symbol. For further details, see the sub-section titled "*Our Business – Intellectual Property"* on Page 148. However, this registration has not yet been granted as on the date of this Red Herring Prospectus. In the absence of such protection, we may not be able to prevent infringement of our trademark and a passing off action may not provide sufficient protection until such time that this registration is granted.

If our unregistered trademark is registered in favour of a third party, we may not be able to claim registered ownership of the trademark and consequently, we may be unable to seek remedies for infringement of this trademark by third parties other than relief against passing off by other entities. Further, we may become subject to claims by third parties if we use the trademark in breach of any intellectual property rights registered by such third parties. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties. Our inability to obtain or maintain these registrations may adversely affect our competitive business position. This may affect our brand value and consequently our business.

40. Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore it is critical for our business that our Promoters remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract or retain them may affect our operations.

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. One of our Promoters, S. Kishore Babu is our founder. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

41. Our international operations are subject to political, economic, regulatory and other risks of doing business in those jurisdictions.

Our international operations are subject to political, economic, regulatory and other risks of doing business in those jurisdictions, including uncertain political and economic environments and political instability, as well as legal systems, laws and regulations that are different from the legal systems, laws and regulations that we may be familiar with in India, and which may be less established or predictable than those in more developed countries. For instance, we have ongoing projects in countries such as Yemen where there have been instances of political unrest in the recent past. In addition, we could be subject to expropriation or deprivation of assets or contract rights, interruptions from war or civil strife, foreign currency restrictions, non-availability of suitable personnel and equipment, exchange rate fluctuations and unanticipated taxes or encounter potential incompatibility with foreign joint venture partners or consortium members. In order to manage our international operations, we must also overcome cultural and language barriers and assimilate different business practices. In addition, we are required to create compensation programs, employment policies, codes of conduct and other administrative programs that comply with the laws and customs of different jurisdictions.

Regulatory changes in the international jurisdictions in which we operate may require us to, among other things, obtain licenses or permits in order to bid on contracts or conduct our operations or enter into a consortium arrangement, joint venture, agency or similar business arrangements with local businesses in order to conduct business in those countries. These laws and regulations may also encourage or mandate the hiring of local contractors and require foreign contractors to employ citizens of, or purchase supplies from within, the relevant country. In addition, we may become involved in proceedings with regulatory authorities that may require us to pay fines, unanticipated taxes comply with more rigorous standards or other requirements or incur capital and operating expenses for compliance with such laws and regulations. An inability to successfully manage our international operations could adversely affect our operations.

42. Some of our Group Companies and our Subsidiaries have incurred losses in the past and may incur losses in the future.

Some of our group companies and subsidiary have incurred losses in the preceding three fiscals. The details of profit/loss incurred by such Group Companies for the preceding three fiscals are as follows:

(*₹ in million, unless otherwise stated*)

S. No.	Name	Profit/(losses) after tax		
		Fiscal 2014	Fiscal 2013	Fiscal 2012
Group Company				
1.	True Rrav Marketing Private Limited	0.02	(0.05)	0.00
2.	Bombay Avenue Developers Private Limited	(0.06)	(0.03)	(0.03)
Subsidiary				
3.	Power Mech Overseas Projects FZE	AED (240,945)	AED 710,111	NIL

However our subsidiary Power Mech Overseas Projects FZE has been wound up. Our Group Company True Rrav Marketing Private Limited has negative net worth as per the last disclosed financial statement.

For further details on the financial information of our Group Companies, see the section titled *"Our Group Companies"* on Page 192.

43. One of our Group Companies has negative net worth.

Our Group Company True Rrav Marketing Private Limited has negative net worth as per the last disclosed financial statement. For further details on the financial information of our Group Companies, see the section titled *"Our Group Companies"* on Page 192.

44. The Promoters, Directors, and certain Key Management Personnel hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors (including our Promoters) and Key Management Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. There can be no assurance that our Promoters and our Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders.

45. We have entered into certain transactions with related parties in the past and may continue to do so in the future. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

We have entered into certain transactions with related parties, including our Promoters and Promoter Group and may continue to do so in the future. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we would not have achieved more favorable commercial terms with other parties. Furthermore, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest. Specifically certain land which is currently used by the Company has been acquired from our Promoters. For further information please see the sub-section titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions"* and *"Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related" Party Transactions* on Pages 218 and 307 respectively. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations and financial condition.

46. An inability to maintain our equipment assets may adversely affect our business and financial conditions

We own a large base of equipment assets including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, dozers and modern laboratory testing machines, which enable us to quickly and effectively mobilise project works. The maintenance and management of such equipment is critical for timely completion and delivery of our projects. An inability to maintain and adequately manage our equipment assets, which have a limited period of useful life, could have an adverse impact on our business and financial condition.

47. Our operations expose us to the risks of currency exchange rate fluctuations.

The exchange rate between the Rupee and the other foreign currencies has changed substantially in recent years and may continue to fluctuate significantly in the future. Changes in currency exchange rates influence our results of operations. A portion of our revenues, relating to our international operations, is denominated in currencies other than Indian rupees, most significantly the U.S. dollar. Depreciation of the Indian rupee against the U.S. dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of financing any debt denominated in foreign currency that we may enter into or any proposed capital expenditure in foreign currencies such as for imported construction equipment. Accordingly, our operating results may be impacted by fluctuations in the exchange rate between the Indian Rupee and other foreign currencies.

48. Upon completion of the Issue, our Promoter / Promoter Group will continue to retain control over us, which will allow them to influence the outcome of matters submitted to the shareholders for approval.

After the completion of the Issue, our Promoters and Promoter Group will collectively hold approximately 64.75% of the fully diluted post-Issue equity capital. Consequently, our Promoters and Promoter Group may exercise substantial control over us and may have the power to elect and remove a majority of our Directors and/or determine the outcome of proposals for corporate action requiring approval of our Board of Directors or shareholders, such as lending and investment policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions. Our Promoters and Promoter Group may be able to influence our major policy decisions, including our overall strategic and investment decisions, by controlling the election of our Directors and, in turn, indirectly controlling the selection of our senior management, determining the timing and amount of any dividend payments (if any), approving our annual budgets, deciding on increases or decreases in our share capital, determining our issuance of new securities, approving mergers, acquisitions and disposals of our assets or businesses, and amending our Articles of Association. This control could also 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 obtaining control of our Company. The interests of our Promoters and Promoter Group could conflict with the interests of our other shareholders, including the holders of our Equity Shares to be offered, and our Promoters and Promoter Group could make decisions that materially adversely affect investment in our Equity Shares to be offered. We cannot assure that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company's favour. For further information, see the sections titled *"Capital Structure", "Our Promoters and Promoter Group"* and *"Our Group Companies"* on Pages 90, 186 and 192, respectively.

49. The interests of our Promoters or Directors may cause conflicts of interest in the ordinary course of our business.

Conflicts may arise in the ordinary course of decision-making by the Promoters or Board of Directors of our Company. Some of our Promoters or non-executive Directors may also be on the board of certain companies engaged in businesses similar to the business of our Company. For instance one of our Group Companies, Power Mech Infra Limited, our Promoter Group Company has objects similar to that of our Company. However, Power Mech Infra Limited is not currently involved in any business activities similar to that of our Company, except civil construction. Pursuant to a non-compete agreement dated October 17, 2014, our Promoters, companies, partnership firm(s) and trust(s) forming part of our Promoter Group and Group Companies have undertaken not to, directly or indirectly, engage or otherwise carry on or participate or be engaged in any business or services competing with our business except (i) certain civil construction and real estate activities in relation to ongoing projects as agreed under the non-compete agreement dated October 17, 2014; and (ii) providing of cranes and other construction equipment on hire to our Company or to others, by Power Mech Infra Limited. Any violation, non-compliance (whether in whole or in part) or unenforceability of such non-compete obligations may have an adverse effect on the results of our operations and financial condition. Further there is no assurance that our Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

50. The unsecured loans taken by some of our Promoters may be recalled by the lenders at any time.

Some of our Promoters have taken unsecured loans. Such loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand for repayment may have a material adverse effect on the financial condition of the Promoter(s) against whom such repayment is sought.

51. Our information technology systems may be vulnerable to security breaches, privacy and hacking leading to disruption in services to our customers.

Our information technology systems may be vulnerable to computer viruses, privacy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our services to our customers. Moreover, we may not operate an adequate disaster recovery system. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our services, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorised access to our networks.

52. Our business is dependent on a single or few customers and the loss of, or a significant reduction in purchases by such customers could adversely affect its business.

Revenues from any particular client may vary significantly from reporting period to reporting period depending on the nature of ongoing contracts and the implementation schedule and stage of completion of such contracts. Accordingly, our top clients may vary significantly from reporting period to reporting period. In fiscal 2012, 2013, 2014 and 2015, revenue from our top five clients in such periods represented 31.98%, 60.10%, 64.75% and 56.47%, respectively, of our total revenue from operations in such periods, while revenue from our top client in such periods represented 9.09%, 29.98%, 34.15% and 26.84%, respectively, of our total revenue from operations in such periods. Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations if we do not achieve our expected margins or suffer losses on one or more of these large contracts.

53. We do not own certain premises used by the Company.

Certain premises used by the Company have been obtained on a lease or license basis. Our registered office, situated at Plot No. 77, Jubilee Enclave, Opposite Hitex, Madhapur, Hyderabad, 500 081, Telangana, India, has been obtained on a license from S. Rohit for a period of 30 years. Further, the Company has obtained the lease or license of certain properties from its Promoters. If any of the owners of such leased or licensed premises do not renew the agreements under which we occupy or use the premises on terms and conditions acceptable to us, or at all, we may suffer a disruption in our operations. For further information, see the sub-section titled *"Our Business – Property"* on Page 148 and for information relating to properties that we have leased from the Promoters or Promoter Group, please see the sub-section titled *"Our Promoters and Promoter Group- Interest of Promoters in the Property of our Company"* on Page 187.

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

The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on various factors. Accordingly, realisation of a gain on shareholder investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity shares will appreciate in value. For more information, see the section titled *"Dividend Policy"* on Page 197.

55. The requirements of being a public listed company may strain our resources and impose additional requirements.

We have no experience as a public listed company or with the increased scrutiny of its affairs by shareholders, regulators and the public at large that is associated with being a public listed company. As a public company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as a private company. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a quarterly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

56. Our Restated Consolidated Financial Statements reflect the financial information of our subsidiary Power Mech Overseas Projects FZE which has been wound up.

There have been certain delays in procedural filings in relation to the winding up of Power Mech Overseas Projects FZE in India. The Restated Consolidated Financial Statements included in this Red Herring Prospectus relate to the Company, its subsidiary Hydro Magus Private Limited and its wholly owned subsidiaries Power

Mech Industri Private Limited and Power Mech Overseas Projects FZE (which has been wound up). No significant transactions had been carried out by Power Mech Overseas Projects FZE during its period of existence. Further as Power Mech Overseas Projects FZE, was incorporated in Sharjah, UAE, the financial statements were prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), interpretations issued by the international Financial Reporting interpretations Committee (IFRIC) of the IASB and applicable requirements of the UAE laws. As per the laws under which our erstwhile subsidiary, Power Mech Overseas Projects FZE, was incorporated, it could not engage in activities in locations other than in the Free Trade Zone of Sharjah, thereby restricting the scope of expansion of our activities in other areas of Dubai and Abu Dhabi. In light of the aforementioned, Power Mech Overseas Projects FZE was wound up and a branch office was set up by our Company in Dubai to undertake jobs in the Middle East. For further information, see auditors' report on our Restated Consolidated Financial Statements in section titled "*Financial Statements*" on Page 285.

57. We have in the past made an application for compounding certain non-compliances under FEMA in addition to paying penalties in relation to certain non-compliances.

We have in the past made an application for compounding of non-compliances with certain provisions under FEMA. These non-compliances have been subsequently compounded pursuant to the order passed by the RBI. We cannot assure you that in the future we shall be in compliance under the applicable law including the FEMA. We have also paid a penalty for this non-compliance under FEMA in addition to penalties in relation to VAT and labour matters.

Any such repeated non-compliances may be detrimental to the interest of our Company and may have a material adverse effect. Additionally, we cannot assure you that there will be no fines that will be imposed on us in the future for any non-compliances. For further information, please see the sub-section titled -*"Outstanding Litigation and Defaults – Details of past penalties imposed on our Company"* on Page 425.

58. We have been non- compliant with certain labour legislations in the past and have been issued notices by authorities in this regard.

We have, in the past, been non-compliant with labour legislations applicable to us, including the Contract Labour (Regulation and Abolition) Act, 1970, the Inter State Migrant Workmen (Regulations of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Minimum Wages Act, 1948 and have been issued notices by the authorities in this regard. These non-compliances predominantly include non-maintenance of registers and non-display of copy of license at our work sites. For further details of such notices, please refer to the sub-section titled *"Outstanding Litigation and Defaults - Litigation Involving our Company - Outstanding litigation/proceedings filed against our Company - Notices from statutory and regulatory authorities"* on Page 410.

We cannot assure you that such non-compliances will not occur in the future or that we may not be subject to any penalties in relation to such non-compliances which may affect our profitability, business, financial condition and results of operations.

59. Our Company has received a show cause notice by the Deputy RoC for non-compliance with Section 205A and 205C of the Companies Act, 1956.

The Deputy RoC has issued a show cause notice dated February 27, 2015 to our Company, some of our Directors and our Company Secretary in relation to non-compliance of Section 205A and 205C of the Companies Act, 1956 read with Rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors), Rules, 2001 and Rule 3 of the Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012. Our Company has replied to the show cause notice stating that the non-compliance occurred due to oversight and has now been rectified. For further details, please refer to the sub-section titled *"Outstanding Litigation and Defaults-Litigation involving our Company- Outstanding litigation/proceedings filed against our Company- Notices from statutory and regulatory authorities"* on Page 410.

60. Some of our Promoters have limited experience in power infrastructure services business.

Some of our Promoters have limited experience in power infrastructure services business. The power infrastructure services involve various risks, including regulatory risks, and construction risks. Any failure to manage the ongoing as well as future projects effectively could delay our ability to meet our customers' requirements and delay our ability to generate revenue from such project, which could have an adverse impact on our business and revenue.

61. Our Company may have issued Equity Shares to the Selling Shareholders at a price which may be lower than the Issue Price.

We may have issued Equity Shares to the Selling Shareholders at a price which could be lower than the Issue Price. For details of the Equity Shares issued to the Selling Shareholders, please refer to the sub-section titled "*Capital Structure- Details of the share capital held by the Selling Shareholders in our Company*" on Page 95. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

62. We have introduced certain changes in accounting policies in relation to the method of accounting for depreciation and amortization with effect from fiscal 2013, which have had an effect on our profitability and results of operations.

Until fiscal 2012, our company accounted for depreciation and amortisation on fixed assets in accordance with the written down value method at the rates mentioned as per the Schedule XIV of the Companies Act, 1956. During fiscal 2013, our Company changed the method of accounting for depreciation and amortisation to straight-line method by applying the rates based on estimated useful life of the assets. For the purpose of restating the audited financial statements, depreciation has been recomputed retrospectively in accordance with Accounting Standard-6 "Depreciation Accounting" and the resultant excess depreciation of ₹ 110.78 million which was hitherto charged to the profit and loss account under the written-down value method till fiscal 2010 was credited to the opening balance of surplus in profit and loss account as on April 1, 2010 and corresponding deferred tax of ₹ 35.94 million was debited to the opening balance of surplus in profit and loss account as on April 1, 2010. Further, restatement adjustments have been made to the audited financial statements wherein the resultant excess depreciation of ₹ 221.70 million for the fiscal 2011 and 2012 has been credited and the corresponding deferred tax impact of ₹ 71.92 million has been debited to the restated statement of consolidated profit and loss account for fiscal 2011 and 2012. For further information, see the sub-section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations- Changes in Accounting Policies*" on Page 370 and Note 2(a) of Annexure IV of our Restated Consolidated Financial Statements beginning on Page 302.

63. Our inventory holding periods and levels may not be comparable with other players in the business/industry. We cannot assure you that any of our inventory remaining unutilized for a relatively longer period of time may need to be written off, thereby adversely affecting our results of operations and financial position.

Our inventory holding periods and inventory levels may not be comparable with other companies with similar operations. There can be no assurance that any of our inventory that remains unutilised for relatively longer periods of time may be required to be written off, thereby adversely affecting our results of operations and financial position.

64. Foreign currency fluctuation gains resulted in an increase in our 'other income' in fiscal 2014. There can be no assurance that there will be similar increases in our 'other income/total income' in future fiscal periods.

Foreign currency fluctuation gains resulted in an increase in our other income in fiscal 2014 as a result of which our other income increased by 134.18% from ₹ 46.17 million in fiscal 2013 to ₹ 108.12 million in fiscal 2014. There can be no assurance that there will be similar gains from foreign currency fluctuations in future fiscal periods and accordingly, other income/total income in such periods may be significantly lower than recorded in recent fiscal periods. For further information, see the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on Page 363.

EXTERNAL RISK FACTORS

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

Our performance and growth are dependent on the health of the Indian economy. Any slowdown in the Indian economy could materially and adversely impact our business, our results of operations and our financial condition. The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- Political instability, resulting from a change in the government or a change in the economic and deregulation policies may adversely affect economic conditions in India in general and our business in particular;

- A change in government policy towards controlling the power sector in India, including any decision to further open the sector to private sector competition;

- A slowdown in economic growth in India may adversely affect the demand for power and consequently our business and results of operations. The growth of our business and our financial performance is linked to the performance of the overall Indian economy;

- Civil unrest, acts of violence, terrorist attacks, regional conflicts of situations or war involving India, or other countries may adversely affect the financial markets which may impact our business. Such incidents may impact economic growth or create a perception that investment in Indian companies involves a higher degree in risk which may reduce the value of the Equity Shares;

- Natural disasters in India may disrupt or adversely affect the Indian economy, on the health of which our business depends.

- Any downgrading of India's sovereign rating by international credit rating agencies may negatively impact our business, credit ratings and access to capital. In such an event, our ability to grow our business and operate profitably may be severely constrained; and

- Instances of corruption in India have the potential to discourage investors and derail the growth prospects of the Indian economy. Corruption creates economic and regulatory uncertainty and may have an adverse effect on our business, profitability and results of operations.

The Indian economy has sustained periods of high inflation. Should inflation continue to increase sharply, our profitability and results of operations may be adversely impacted. High rates of inflation in India may increase our employee costs, decrease the disposable income available to our customers and decrease our operating margins, which may have an adverse effect on our profitability and results of operations.

66. Financial instability in other countries may cause increased volatility in Indian financial markets. In the event that the current difficult conditions in the global credit markets continue or if there are any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Recently, the currencies of a few Asian countries including India suffered depreciation against the US Dollar owing to amongst other, the announcement by the US government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. In the past, liquidity and credit concerns and volatility in the global credit and financial markets were experienced by major US and European financial institutions. These and other related events may have a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects, and therefore, if such liquidity and credit concerns, financial volatility or disruptions occur again, our business, our future financial performance and the prices of the Equity Shares could be adversely affected. Further, in the event that the current difficult conditions in the global credit markets continue or if there are any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

67. Companies operating in India are subject to a variety of central and state government taxes and surcharges. Any increases in tax rates could adversely affect our business and results of operations.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. In addition, a new Goods and Services Tax (GST) regime is expected to be introduced in the near future, and the scope of the service tax is proposed to be enlarged. Recently, the lower house of the parliament has passed the Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014 on May 6, 2015 which was widely seen as a milestone with regard to implementation of the GST. The bill is yet to be passed by the upper house of parliament. Following the passage by the parliament, this bill is also required to be ratified by 50% of the States. The central government has laid down a road map of reducing the corporate tax rate over next four years. However, the central or state government may in the future increase the corporate income tax or any other indirect taxes it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

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

The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the GoI may not implement new regulations and policies which will require us to obtain approvals and licenses from the GoI and other regulatory bodies or impose onerous requirements, conditions, costs and expenditures on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

The Supreme Court of India, in one of its recent judgments, has held that the GoI exceeded its powers under the Mines and Minerals (Development and Regulation) Act, 1957 and Coal Mines (Nationalization) Act, 1973, in allocating coal blocks for mining of coal, and further that the allocations were arbitrary, against the principles of reasonableness and contrary to the procedure established by law. Pursuant to such judgment, the Supreme Court cancelled more than 200 licenses allocating coal blocks across India. Subsequently, the GoI passed the Coal Mines (Special Provisions) Ordinance, 2014 amending the Coal Mines (Nationalization) Act, 1973 which enables private entities (including subsidiaries of foreign companies) to carry out coal mining operations for its own use, or for sale or other use in accordance with the terms of the prospecting license or mining lease. The GoI has now replaced the Coal Mines (Special Provisions) Ordinance, 2014 with the Coal Mines (Special Provisions) Act, 2015 ("**Coal Act, 2015**") which provides for a mechanism of auction of coal blocks (including such coal blocks whose allocation was cancelled by the Supreme Court) to government as well as private companies eligible under the Coal Act, 2015 to bid through themselves or their joint venture companies. These recent regulatory developments could impact the availability of coal and/or adverse price developments for coal in India, which could adversely affect the power industry and may constrain the launch of new power projects in India. This may significantly and adversely affect our ability to bid for and win new projects.

Please see the section titled *"Regulations and Policies"* on Page 150 for details of certain laws currently applicable to us. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy:

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The GoI has further amended certain provisions of the Companies Act, 2013 vide an amendment dated May 26, 2015. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors, conditions governing investments by a company in another company or extension of loan from a company to another and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. We are also required to spend 2.00% of our average net profits during three immediately preceding financial years towards corporate social responsibility activities. Further, the Companies Act, 2013 imposes greater monetary and other liability on us and our directors for any non-compliance. The Companies Act, 2013 also provides for specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders of a company for undertaking related party transactions. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event that our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government of India in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

The General Anti Avoidance Rules (**GAAR**) have recently been notified by way of an amendment to the Income Tax Rules, 1962, and are scheduled to come into effect from April 1, 2017 following a two year deferment as part of the Union Budget of 2015. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which is any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty. The statutory corporate income tax in India, which includes a surcharge on the tax and an education cess on the tax and the surcharge, is currently 34.61% for companies earning 'taxable income' of more than ₹ 100 million.

Certain recent changes to Indian income tax law provide that income arising directly or indirectly through the sale of a capital asset, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India and whether or not the seller of such shares has a residence, place of business, business connection, or any other presence in India. The term substantially has not been defined. Further, the applicability and implications of the changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of our Equity Shares. Further, changes in capital gains tax or tax rates on capital market transactions or sale of shares could affect investor returns.

The GoI has recently released safe harbour rules with respect to acceptance by the Indian tax authorities of declared transfer prices for certain types of international transactions (including intra-group loans and corporate guarantees and for the manufacture and export of core and non-core automotive components) between an eligible assessee and its associated enterprises, either or both of which are not Indian residents. The benefit, if any, that we may derive from the application of such rules in the future is unclear.

The GoI has amended the Indian securities laws by way of the Securities Law (Amendment) Act, 2014 to provide greater powers to SEBI to curb irregularities and frauds in the Indian capital markets (including the power to seek telephonic records to check insider trading and to carry out search and seizure operations) so as to enhance corporate governance in India. Further, SEBI has, pursuant to a notification dated January 15, 2015, notified the Securities and Exchange Board of India (Insider Trading) Regulations, 2015, which have come into force from May 15, 2015.

SEBI has pursuant to a notification dated January 7, 2014 notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, whereby amongst other things, existing FIIs, sub-accounts and qualified foreign investors have been merged into a new investor category, foreign portfolio investors.

We have not determined the impact of these recent and proposed laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

69. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect us.

A decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our financial condition. A future material decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy which in turn, could adversely affect our business and future financial performance.

70. Trade deficits could have a negative impact on our business. If India's trade deficits increase or become unmanageable, the Indian economy, and therefore our business, future financial performance and the trading price of the Equity Shares could be adversely affected.

India's trade relationships with other countries can influence India economic conditions. India's large trade deficit neutralises the surpluses in India's invisibles, which are primarily international trade in services, income from financial assets, labour and property and cross border transfers of workers' remittances in the current account, resulting in a current account deficit. If India's trade deficits increase or become unmanageable, the Indian economy, and therefore our business, future financial performance and the trading price of the Equity Shares could be adversely affected.

71. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. The effects of the planned adoption of "Indian Accounting standards converged with IFRS" ("IND-AS") are uncertain.

Our Restated Consolidated Financial Statements contained in this Red Herring Prospectus have been prepared and presented in accordance with Indian GAAP and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on the investor's familiarity with Indian GAAP and the Companies Act. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

The Ministry of Corporate Affairs has announced a road map for the adoption of/convergence with International Financial Reporting Standards (**IFRS**). Further, the MCA has, on February 25, 2011, notified that IND - AS will be implemented in a phased manner and the date of such implementation will be notified at a later date. Recently, MCA vide its notification dated February 16, 2015, has issued Companies (Indian Accounting Standards) Rules, 2015, notifying the above roadmap and the accounting standards applicable. Additionally, IND - AS has fundamental differences compared with IFRS and therefore financial statements prepared under IND - AS may be substantially different from financial statements prepared under IFRS. We have not clearly determined the impact that implementation and application of IND - AS will have on our financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under IND - AS than under current Indian GAAP. In our transition to IND - AS reporting, we may encounter difficulties in the on-going process of implementing and enhancing its management information systems. Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IND - AS experienced accounting personnel available as more Indian Companies begin to prepare financial statements.

72. Third party statistical and financial data in this Red Herring Prospectus may be incomplete or unreliable.

We have not independently verified data from industry publications and other sources and therefore cannot assure that they are complete or reliable. Discussions of matters relating to India, its economy or the industries in which we operate in this Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. We make no representation or warranty, express or implied, as to the accuracy or completeness of this information. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus. We cannot provide any assurance that the third parties have used correct or sound methodology to prepare the information included in this Red Herring Prospectus.

73. Investors may have difficulty enforcing foreign judgments in India against us or our management.

We are a limited liability company incorporated under the laws of India. All of our Directors are residents of India. A substantial portion of our assets and the assets of the Directors and our key executives are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against us or such parties outside India.

Further, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered. For further details, refer to the sub-section titled *"Regulations and Policies- Enforceability of Foreign Judgments in India"* on Page 155.

74. There may be less company information available in Indian securities markets compared to securities markets in more developed countries.

There is a difference between the level of regulation, disclosure and monitoring of the Indian securities market and the activities of investors, brokers and other participants and that of markets in the United States and other more developed economies. SEBI received statutory powers in 1992 to assist it in carrying out its responsibilities for improving disclosure and other regulatory standards for the Indian securities market. Subsequently, SEBI has prescribed certain regulations and guidelines in relation to disclosure requirements, insider dealing and other matters relevant to the Indian securities markets. There may, however, be less publicly available information about Indian companies than is regularly made available by public companies in more developed economies. As a result, prospective investors may have access to less information about the business, results of operations and financial condition, and those of the competitors that are listed on the BSE and the NSE of India and other stock exchanges in India on an on-going basis compared to companies subject to reporting requirements of other more developed countries.

75. Terrorist attacks or war or conflicts involving India or other countries could adversely affect business sentiment and the financial markets and adversely affect our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets in which our Equity Shares will trade and also adversely affect the worldwide financial markets. Further we operate in international locations where there may be high security risks, which could result in harm to our employees or unanticipated cost. Such factors may also result in a loss of business confidence, make travel and other services more difficult and ultimately adversely affect our business. In addition, any deterioration in the relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

76. An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could adversely affect our business. Outbreaks of infectious diseases could have an adverse impact on the Indian economy, which could adversely affect our business and thereby, our financial condition.

The outbreak of an infectious disease or any other serious public health concern in Asia or elsewhere could have a negative impact on the global economy, financial markets and business activities worldwide, which could adversely affect our business. Incidents like the recent Ebola outbreak which has been reported across seven countries and particularly in Africa which has claimed numerous human lives has raised serious concerns about its spread globally. Historically, since late 2003, a number of countries in Asia, including India, as well as countries in other parts of the world, have had confirmed cases of the highly pathogenic H5N1 strain of avian influenza in birds and its transmission to humans, which resulted in numerous human deaths. Since April 2009, there have been outbreaks of swine flu, caused by the H1N1 virus, in certain regions of the world, including India. Such outbreaks of infectious diseases could have an adverse impact on the Indian economy, which could adversely affect our business operations and thereby, our financial condition.

77. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer. Further our operations are sensitive to weather conditions.

India has experienced natural calamities, such as earthquakes, tsunamis, floods and drought in the past few years, which have had an adverse impact on the Indian economy. For example, there was an earthquake in 2001 in Gujarat. The occurrence of any such natural calamities in the future could have a negative impact on the Indian economy and/or our operations, adversely affecting our business and the price of our Equity Shares.

Further, our operations may be adversely affected by severe weather, which may require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of equipment or facilities resulting in the suspension of operations, and may prevent us from delivering materials to our jobsites 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 the monsoon season, each of which may restrict our ability to carry on construction activities and fully utilize our resources. We record revenues on the percentage of completion method that is based upon the percentage of the cost incurred as of a specific date to the total estimated contract cost, and revenues are not recognized until there is reasonable progress on a contract. 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. Revenues recorded in the first half of our financial year between April and September are traditionally lower compared to revenues recorded during the second half of our financial year.

78. Any downgrading of India's debt rating by an independent agency may harm our ability to raise debt financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

79. There may be independent press coverage about our Company and this Issue, and we strongly caution the investors not to place reliance on any information contained in press articles, including, in particular, any financial projections, valuations or other forward - looking information, and any statements that are inconsistent with the information contained in this Red Herring Prospectus.

There may be press coverage about our Company and this Issue, that may include financial projections, valuations and other forward-looking information, as well as statements that are inconsistent or conflict with the information contained in this Red Herring Prospectus. We do not accept any responsibility for the accuracy or completeness of such press articles, and we make no representation or warranty as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations, forward-looking information, or of any assumptions underlying such projections, valuations, forward-looking information or any statements are inconsistent or conflict with the information contained in this Red Herring Prospectus, included in or referred to by the media.

80. The applicable competition law regime in India may adversely affect our business, results of operations and financial condition.

The Competition Act, 2002, as amended (the **Competition Act**), regulates practices having or likely to have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees, are penalised under the Competition Act, it may have a material adverse effect on our business, results of operations and financial condition. On March 4, 2011, the government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the **CCI**). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

Risks Relating to the Issue and the Equity Shares

81. 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, and an active trading market may not develop or be sustained upon the completion of this Issue. The initial public offering price of the Equity Shares offered hereby was determined through our negotiations with the BRLMs and may not be indicative of the market price of the Equity Shares after this Issue. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, among other factors:

- variations in our operating results and the performance of our business;
- regulatory developments in our target markets affecting us, our customers or our competitors;
- changes in financial estimates by securities research analysts;

- addition or loss of executive officers or key employees;
- loss of one or more significant customers;
- the performance of the Indian and global economy;
- significant developments in India's economic liberalization and deregulation policies, and the fiscal regime;
- volatility in the Indian and global securities markets;
- performance of our competitors and perception in the Indian market about investment in the power sector; and
- adverse media reports, if any, on our Company, or the Indian power sector.

Many of these factors are beyond our control. There has been recent volatility in the Indian stock markets and our share price could fluctuate significantly as a result of such volatility in the future. 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.

82. Conditions in and volatility of the Indian securities market may affect the price or liquidity of our Equity Shares.

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The Indian stock exchanges have experienced periods of significant volatility in the past. 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. If similar problems occur in the future, the market price and liquidity of our Equity Shares could be adversely affected.

83. There are 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.

Following the Issue, we may be subject to a daily ―circuit breaker imposed by all stock exchanges in India, which does not allow transactions beyond the specified increases or decreases 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 breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The Stock Exchanges may change the percentage limit of the circuit breaker in effect from time to time. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding the investors' ability to sell their Equity Shares or the price at which the investor may be able to sell their Equity Shares at any particular time.

84. The investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.

The Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or demat, accounts with depository participants in India are expected to be credited within few days of the date on which the basis of allotment is approved by NSE and BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above.

85. Any future issuance of Equity Shares may dilute the investors' shareholdings or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares.

Any future equity issuances by us or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares and our Company's ability to raise capital through an issue of securities. In addition, any perception by potential investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally, the disposal, pledge or encumbrance of our Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of our Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

86. There is no guarantee that the Equity Shares offered and sold in this Issue will be listed on the Stock Exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after those Equity Shares have been offered and allotted. Approval will require 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 Stock Exchanges. Any failure or delay in obtaining the approval would restrict the investors' ability to dispose of the Equity Shares.

In addition, pursuant to India regulations, certain actions are required to be completed before the Equity Shares can be listed and trading may commence. Investors' book entry or dematerialized electronic accounts with depository participants in India are expected to be credited only after the date on which the offer and allotment is approved by our Board of Directors. There can be no assurance that the Equity Shares allocated to prospective Investors will be credited to their dematerialized electronic accounts, or that trading will commence on time after allotment has been approved by our Board of Directors, or at all.

87. The investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, capital gains arising from the sale of Equity Shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (**STT**) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares.

88. Foreign investors may be restricted in their ability to purchase or sell Equity Shares.

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

89. The investors may be restricted in their ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of their ownership position.

Under the Companies Act, 2013, a company incorporated in India must offer its holders of shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution. However, if the law of the jurisdiction the investors are in does not permit them to exercise their pre-emptive rights without us filing an offering document or registration statement with the applicable authority in the jurisdiction they are in, they will be not be able to exercise their pre-emptive rights unless we make such a filing. If we elect not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for the investors' benefit. The value such custodian would receive upon the sale of such securities, if any, and the related transaction costs cannot be predicted. To the extent that the investors' are unable to exercise pre-emptive rights granted in respect of the Equity Shares, their proportional interest in us would be reduced.

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

The Companies Act and related regulations, the Articles of Association and the Listing Agreements to be entered into with the Stock Exchanges govern the corporate affairs of the Company. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

91. Our Equity Shares are quoted in Indian Rupees in India, and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.

Investors are subject to currency fluctuation risk and convertibility risk since the Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. The volatility of the Indian Rupee against the U.S. dollar and other currencies subjects investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

Prominent Notes:

- On October 16, 2007, the name of our Company was changed from Power Mech-Projects Private Limited to Power Mech-Projects Limited pursuant to a change in the nature of our Company from a private limited company to a public limited company. Subsequently our Company's name was changed to Power Mech Projects Limited, owing to the hyphen being removed, on November 1, 2010. For further details in relation to the change in the name of our Company, see the section titled *"History and Corporate Structure"* on Page 157.

- Public Issue of up to 4,269,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●]) aggregating to ₹ [●] million comprising of a Fresh Issue of up to 2,128,000 Equity Shares aggregating to ₹ [●] million by our Company and Offer of Sale of up to 2,141,000 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders. The Issue will constitute 29.02% of the post-Issue paid-up Equity Share capital of our Company.

- Our net worth was ₹ 3,547.15 million as on March 31, 2015, in accordance with our Restated Consolidated Financial Statements and ₹ 3,539.39 million as per our Restated Standalone Financial Statements included in this Red Herring Prospectus. For details, see the section titled *"Financial Statements"* on Page 198.

- Our net asset value per Equity Share was ₹ 281.91 as at March 31, 2015, as per our Restated Consolidated Financial Statements and ₹ 281.29, as per Restated Standalone Financial Statements.

- The average cost of acquisition of Equity Shares by our Promoters, as on date of this Red Herring Prospectus are set forth hereunder:

Promoter	Number of Equity Shares held	Average cost of acquisition (₹)*
S. Kishore Babu	3,601,080	4.48
S. Lakshmi	2,400,552	3.51
S. Rohit	1,570,296	5.06
S. Vignatha	562,800	4.35
S. Kishore Babu (HUF)	1,344,000	2. 83

** As certified by our Statutory Auditor by their certificate dated June 3, 2015.*

- Except as disclosed in the sections titled *"Our Group Companies"* on Page 196 and *"Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party*

Transactions" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions"* on Pages 218 and 307 respectively, none of our Group Companies have business interests or other interests in our Company.

- For details of related party transactions entered into by our Company with the Subsidiaries, Group Companies and other related parties during the last financial year, the nature of transactions and the cumulative value of transactions, see the section titled *"Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transaction"* and *"Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions"* on Pages 218 and 307 respectively.

- There have been no financing arrangements whereby our Promoters, Promoter Group, Directors and their relatives have financed the purchase by any other person of the Equity Shares other than in the normal course of our business during the period of six months immediately preceding the filing of the Red Herring Prospectus.

- Investors may contact the BRLMs for any complaints, information or clarification pertaining to the Issue. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, or the Syndicate Members, or the Registered Broker, as the case may be, giving full details such as name, address of the Bidder, number of Equity Shares applied for, DP ID, Client ID, Bid Amounts blocked, ASBA Account number and the Designated Branch of the SCSB or the Specified Locations where the Bid cum Application Form has been submitted by the ASBA Bidder. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

*Unless noted otherwise, the information in this section is derived from "Assessment of ETC and Overhauling, Repairs & Maintenance business opportunity in power plant" (the "**CRISIL Report 2014**"), as well as other industry sources and government publications. None of the Company, the Selling Shareholders, the BRLMs and any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.*

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The following is a summary of the industry overview. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter entitled '*Industry Overview*' on Page 112.

Indian Economy and the Power Sector

India is the fourth largest economy in the world and is estimated to have registered a growth rate of 4.7% in 2013-14 (in terms of GDP at factor cost at constant prices). A moderate recovery of the Indian economy is expected to set in during 2014-2015 broadly in line with the Reserve Bank of India's (RBI) indicated projections in January, 2014. However, there is consensus that infrastructure inadequacies, including insufficient power generation, would constitute a significant constraint in realising the development potential of India. While power demand expanded at a compounded annual growth rate (CAGR) of 6 per cent between fiscal 2006 and fiscal 2014, India's GDP augmented at a CAGR of 7.8 per cent during the period. The similarity between India's GDP growth and power demand underlines a healthy relation between them.

Power Generation Capacity in India

The total installed capacity (excluding renewable energy) in India has increased to 212 GW in fiscal 2014 from 142 GW in fiscal 2010, representing a CAGR of around 10 per cent, which is in addition to around 43,300 MW of captive power capacity that is also connected to the grid, as on March 2013. From fiscal 2011 to fiscal 2014, around 70 GW of capacities were added primarily led by the private sector, which accounted for 55 per cent of the total additions. A record 20 GW of capacities was added in fiscal 2012 and 2013 followed by 17.8 GW in fiscal 2014. This was primarily due to the opening of the sector to private players through the introduction of competitive bidding in 2006.

Energy generation over the past five years has grown at a CAGR of 5.8 per cent to 961 TWh (TeraWatt Hour) in fiscal 2014 from 766 TWh in fiscal 2010. The share of private sector in energy generation has increased rapidly over the years to 23.5 per cent in fiscal 2014. The growth in private sector energy generation is predominantly due to their significant capacity additions, which has seen their share in the total installed capacity rise to 26.5 per cent in 2013-14 from 8.5 per cent in 2008-09. Of the conventional energy sources, coal continues to garner a share of over 80 per cent as fuel for energy generation over the last five years, as it is the most widely available and cheapest source of fuel. The share of hydro based capacities has declined to 14.0 per cent in 2013-14, primarily owing to land acquisition issues.

Power Demand and Deficit Scenario in India

The demand-supply deficit has narrowed down from 12.6 per cent in 2009-10 to 2.1 per cent in 2013-14.

Demand growth picked up in 2011-12 and 2012-13 on account of higher availability led by capacity additions of close to 20 GW in each of these years. Demand grew at a muted pace of 0.4 per cent in 2013-14 on account of weak demand from industrial and commercial consumers due to subdued economic growth. Base demand (sum of actual consumption and transmission and distribution losses) for power has expanded at a CAGR of 4.8 per cent to 1,002 billion KWh in 2013-14 from 831 billion KWh in 2009-10. During the same period, supply has increased to 960 billion KWh from 747 billion KWh at a CAGR of 6.5 per cent. This has led to a reduction in base energy deficit to 42 billion KWh in 2013-14 from 84 billion KWh in 2009-10 as significant capacity additions (~57 GW) in the last three years have led to supply growth outpacing demand growth. Moreover, demand growth has been subdued in the last two years owing to slowdown in economic growth. The demand-supply deficit narrowed down from 10.1 per cent in 2009-10 to 4.2 per cent in 2013-14. Similarly, peak demand for energy increased at a CAGR of 4.9 per cent to 144 GW in 2013-14 from 119 GW in 2009-10 while peak supply grew at CAGR of 7.9 per cent during the same time period. Consequently, peak shortage has declined over the years to 3 GW in 2013-14 from 15 GW in 2009-10.

Outlook of the Indian Power Sector

Based on parameters such as land acquisition, obtaining environmental and forest clearances, achievement of financial closure, extent of fuel supply, power purchase agreements, ordering of boiler turbine generator (BTG) equipment, about 51 GW of capacities is expected to commission over 2014 to 2018. Going forward (2016-18), capacity additions are expected to slow down. This will be driven by declining power deficit, completion of large announced projects, as well as continued concerns on fuel availability over the medium term. Moreover, banks are also adopting a cautious approach given high power sector exposure.

Private sector is expected to lead capacity additions in the next 4 years accounting for 52 per cent of total capacity additions. On the other hand, capacity additions by the state sector are expected to slow down due to poor execution efficiencies and limited fuel supply pacts signed for announced projects. As a result, it is expected that the share of the state sector would decline to 22 per cent over 2015-18 from 25 per cent over 2011-14. It is also expected that states such as Andhra Pradesh, Tamil Nadu, Madhya Pradesh and Uttar Pradesh to lead capacity additions within the state sector.

Power demand growth is estimated to be at 6.2 per cent CAGR over 2014-2018. Industrial demand which declined in 2013-14 is expected to revive from 2014-15 onwards led by gradual improvement in demand from key infrastructure and manufacturing sectors such as metals, mining, cement and auto. It is also expected that the strong growth in demand from the residential segment would continue on account of high latent demand. The new government’s thrust on improving access to electricity through higher investments in power distribution infrastructure is expected to increase demand from rural residential consumers. Demand growth will also be supported by higher power availability on the back of strong capacity additions coupled with gradual improvement in fuel availability. Moreover, a gradual improvement in the financial health of discoms is expected with the implementation of the financial restructuring plan and regular tariff hikes leading to increased power offtake.

It is expected that base demand for power would grow at a rate of 6.2 per cent CAGR through the forecast period. Demand, which was subdued in 2013-14, is expected to revive on account of increase in manufacturing as well as commercial activity led by higher demand from sectors such as auto, cement, paper, IT and retail among others. Moreover, improved supply, on the back of strong capacity additions over the past 3 years and next 2 years (expected) coupled with robust investments in transmission infrastructure is expected to support rising demand. Consequently, base deficit is expected to decline from 4.2 per cent in 2013-14 to 0.9 per cent in 2017-18.

Issues and Challenges in the Power Sector in India

While there are around 95 GW of capacities under construction as of March 2014, it is expected that only 51 GW would be commissioned over 2014-15 to 2017-18. Key factors that are expected to delay the pace of capacity additions are explained in detail below:

Limited Fuel Availability. While Coal India has been mandated to sign FSAs with 78 GW (74 GW signed as on Apr-2014) to be commissioned between fiscals 2009 and 2015, supply under the new FSAs is expected to support PLFs of only 55-65 per cent as against 77 per cent in pre 2009 FSAs. This is because the new FSAs assure domestic coal supply only to the extent of 65-75 per cent of average contracted quantity (ACQ or 85 per cent PLF). Balance is expected to be imported and supplied on a cost plus basis. As a result, coal based projects which are at a nascent stages are likely to be postponed until coal availability situation improves. Constraint in gas availability is also expected to continue until 2016-17, thereby limiting gas based capacity additions.

Expansion through acquisitions. New project announcements have also declined as large players are increasingly seeking the inorganic route for expansion. This is on account of rising execution risks in the power sector owing to land acquisition issues, delays in clearances and lack of visibility on fuel supply. Several large conglomerates such as Adani Power, Reliance Power, JSW Energy and NTPC have either acquired capacities or are evaluating existing projects for acquisition. Close to 5 GW of capacities have been acquired over the past 12 months.

Delay In Clearances. Delays in acquisition of land and obtaining environment and forest clearances are also expected to delay project commissioning. Some large projects of participants such as NTPC (Nabhinagar TPP), Reliance Power (Tilaiya UMPP), and Essar Power (Tori TPP), amongst others, have been delayed due to lack of adequate environmental and forest clearances. This is also true in case of projects with captive mines. Of the 40 GW of capacities based on captive coal, only 11 GW including Kudgi TPP (Pakri Barwadih), Sasan UMPP (Moher, Moher-Amlori Extn & Chhatrasal), and Mahan TPP (Mahan) have secured requisite clearances.

Stretched Financials Of Developers. The financial position of most private developers is stretched owing to high amount of debt raised to fund acquisitions or projects across the infrastructure space. Further, cash flows from operational projects have been under severe pressure due to weak volume growth. This has constrained the financial flexibility of participants, which has resulted in a slowdown in investments on projects under construction. This view is corroborated by the fact that no new generation project has been announced over the past 18-24 months.

Opportunities in the Power Sector

Investments over fiscal 2009 – 2013

Investments in the power sector rose at an estimated CAGR of 12 per cent over the past 5 years (2008-09 to 2012-13) aggregating to ₹ 5.6 trillion. Over this period, the Central and State sectors are projected to have accounted for 69 per cent of the total investments, while private sector contributed the balance 31 per cent. The share of private sector in overall investments is expected to have more than doubled to 37 per cent in 2012-13 from 18 per cent in 2007-08 with huge investments in the generation space. The increased private sector contribution from previous years was on account of the enactment of the Electricity Act 2003 that allowed participation of private participants in the power sector. Further the generation segment dominated investments over 2009-13, with an estimated outlay of ₹ 3.4 trillion accounting for nearly 62 per cent of overall investments. These investments were driven on the back of capacity additions of 64 GW over the period. With the introduction of tariff based competitive bidding in 2006, large private conglomerates were awarded around 50 GW of generation projects. Consequently, the private sector accounted for 55 per cent of the total capacity additions of 64 GW over the past 5 years.

Investments in the transmission sector increased at a CAGR of 25 per cent over the last 5 years aggregating to ₹ 1,152 billion. The distribution segment witnessed an estimated ₹ 970 billion investment over the past 5 years. However, a large proportion of these investments have been led by Central government schemes such as Accelerated Power Development and Reform Programme (R-APDRP) and Rajiv Gandhi Grameen Viyutikaran Yojana (RGGVY). This is on account of the weak financial position of the state distribution companies. In fact, over 2011-14, investments are estimated to have declined as continued under-recoveries of costs led to total accumulated losses of ₹ 2.4 trillion as of March 2013.

Estimated investments over fiscal 2014- 2018

Investments of ₹ 6.6 trillion are projected to made in the power sector over the next 5 years (2013-14 to 2017-18). The share of private sector in overall investments over 2014-18 is expected to decline to 28 per cent. The share of central sector is expected to improve to 34 per cent over 2014-18 as compared to 31 per cent over the past 5 years due to strong investments by central sector utilities in power generation and power transmission, respectively. On the other hand, share of state sector is expected to remain stable at 38 per cent. While the generation segment will continue to account for the largest share of investments, it is expected to be lower at 50 per cent over the forecast period as compared to 62 per cent over the last 5 years. This segment is expected to witness an investment of around ₹ 3.3 trillion between 2013-14 and 2017-18 of which the thermal power investment is anticipated to constitute a major share, followed by hydro power segment. Investments in the transmission segment are expected to grow robustly led by expansion plans in inter-state transmission lines over the next 5 years.

Developments in Union Budget 2015-2016

The GoI recently announced the Union Budget 2015-2016 with a number of proposals in relation to the infrastructure and power sector. The Union Budget includes proposals including setting up of certain ultra mega power projects through a transparent auction system; revised renewable energy target set at 175 GW and clean energy CESS on coal.

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on Page 14 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" on Page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

In this section, a reference to the "Company" means Power Mech Projects Limited. Unless the context otherwise requires, references to "we", "us" or "our" refers to Power Mech Projects Limited and its subsidiaries on a consolidated basis.

Unless otherwise indicated, financial information included herein are based on our Restated Consolidated Financial Statements included in this Red Herring Prospectus beginning on Page 285.

Overview

We are an integrated power infrastructure services company in India providing comprehensive erection, testing and commissioning of boilers, turbines and generators (ETC-BTG) and balance of plant (BOP) works, civil works and operation and maintenance (O&M) services. Our operations include three principal business lines: (i) Erection Works; (ii) Operation & Maintenance Services; and (iii) Civil Works.

Erection Works. Our Erection Works business includes erection, testing and commissioning of boilers, turbines and generators and BOP works for the power sector as well as other allied industries including petrochemicals, steel and cement. In fiscal 2012, 2013, 2014 and 2015, revenues from our Erection Works business was ₹ 5,878.46 million, ₹ 7,421.35 million, ₹ 8,906.18 million and ₹ 9,102.04 million, respectively, representing 83.38%, 79.31%, 74.20% and 66.62%, respectively, of our total revenue from operations in such periods. As of June 30, 2015, we had been engaged on more than 100 Erection Works projects (completed and ongoing projects) across India and in four international jurisdictions, including two ultra-mega power projects (UMPPs) and 16 super-critical power projects with unit capacities ranging from 150 MW up to 800 MW. We also provide erection works services to gas and combined cycle power projects, heat recovery steam generator (HRSG), waste heat recovery boilers (WHRB), circulating fluidized bed combustion (CFBC) boilers, steam turbine generators (STG), electrostatic precipitators (ESPs), hydro turbines, BOP packages, including structural steel works, ash handling, coal handling, fuel oil systems and high-pressure piping works.

Operation and Maintenance Services. Our Operation and Maintenance Services business includes annual maintenance contracts (AMCs), other repairs, renovation and modernisation (R&M), residual life assessment (RLA), scheduled shutdowns, retro-fits, as well as overhauling, maintenance and upgradation services for power plants. Since commencement of our O&M business in 1999, we have been engaged on more than 400 O&M contracts as of June 30, 2015. We provide comprehensive O&M services, principally for power projects, in India and internationally. We have provided O&M services for various projects in the Middle East, North Africa, South Asia and South America. In fiscal 2012, 2013, 2014 and 2015, revenues from our O&M Services business was ₹ 424.37 million, ₹ 756.34 million, ₹ 1,388.71 million and ₹ 2,764.75 million, respectively, representing 6.02%, 8.08%, 11.57% and 20.24%, respectively, of our total revenue from operations in such periods. We are an AMC services provider for power plants in India and expect this business to grow significantly as a result of the significant increase in the installed base of IPPs in India in recent years. We carried out our first AMC project in 2004 and our revenue from AMC services was ₹ 47.93 million, ₹ 208.53 million, ₹ 595.16 million and ₹ 1,541.73 million in fiscal 2012, 2013, 2014 and 2015, respectively. As of June 30, 2015, we were engaged on 23 AMC services for power plants across India with an aggregate unit capacity of 32,835 MW. We carried out the overhauling of a super-critical 660 MW turbine and provided AMC services for an ultra-mega power project.

In order to provide comprehensive O&M solutions, we have entered into a joint venture agreement dated December 1, 2014, with Chengdu Pengrun New Energy Development Company Limited (Chengdu), a company registered under PRC laws, to establish a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. For further information, see *"History and Corporate Structure"* on Page 161. In addition, we are in the process of setting up a large heavy engineering facility at Noida for non-critical equipment and spare parts. We also have a

Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

Civil Works. Our Civil Works business commenced in fiscal 2011 and provides various civil and construction jobs for the main plant and BOP requirements including excavation, piling, concreting, architectural and building works. In fiscal 2012, 2013, 2014 and 2015, revenues from our Civil Works business was ₹ 697.23 million, ₹ 1,099.37 million, ₹ 1,659.45 million and ₹ 1,749.26 million, respectively, representing 9.89%, 11.75%, 13.83% and 12.80%, respectively, of our total revenue from operations in such periods.

In addition to our extensive experience on thermal power projects in India, we have, through our subsidiary Hydro Magus, increased our strategic focus on providing renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

Our aggregate Order Book as of March 31, 2015 was ₹ 34,062.68 million, comprising Order Book in the Erection Works, O&M Services and Civil Works businesses of ₹ 23,028.66 million, ₹ 5,904.28 million and ₹ 5,129.74 million, respectively. Our Order Book information is only indicative of future revenues and you should not place undue reliance on such information in making an investment decision. For further information on our Order Book, see *"Our Business - Order Book"* on Page 142.

We believe our significant experience and execution capabilities have enabled us to develop firm relationships with various private sector clients as well as public sector undertakings. We have established long-term relationships with various major EPC companies and power utilities. We have worked on various projects for Bharat Heavy Electricals Limited, NTPC Limited, Doosan Power Systems India Private Limited, Adani Power Limited, Larsen & Toubro Limited-Thermal Power Plant Construction BU, Thermal Powertech Corporation India Limited, GE Power Services (India) Private Limited, CLP India Private Limited, BGR Energy Systems Limited, Thermax Engineering Construction Co. Limited, SEW Infrastructure Limited, KSK – Arasmeta Captive Power Company Limited , KSK - VS Lignite Power Private Limited, KSK –Mahanadi Power Company Limited, Abir Infrastructure Private Limited, Siemens Limited, Jindal India Thermal Power Limited and Reliance Infrastructure Limited.

We have an established track record of executing ETC-BTG and BOP works, civil and structural works, and a wide range of maintenance services projects for large power plants including 800 MW unit capacity super-critical power plants. In fiscal 2015, we executed Erection Works contracts of aggregate tonnage of approximately 355,000 metric tonnes. According to the Central Electricity Authority, in fiscal 2011 through fiscal 2015, the aggregate thermal power plant capacity addition in India was approximately 88,048 MW. In the same period, we were engaged on ETC-BTG and BOP Works aggregating 33,801 MW..

In addition to our corporate headquarters in Hyderabad, we have established four regional offices across India, in Ghaziabad (NCR), Nagpur, Mumbai and Kolkata that enable us to effectively coordinate ongoing projects and customer relationships. In addition to our operations in India, we have also executed various international power projects in the Middle East, North Africa, South Asia and South America. In fiscal 2014 and 2015, 6.43% and 6.23%, of the Company's total revenue from operations (on a standalone basis) was generated from projects executed outside India. We continue to focus on expanding our international operations and have set up a branch office in Abu Dhabi to focus on power projects in the Middle East and Africa. In addition, we have also set up a branch in Bangladesh to execute an ETC-BTG works project. We also intend to leverage our experience and credentials in the power sector to expand our infrastructure related service offerings to projects in the petrochemicals, steel and cement industries.

We have developed a significant equipment base including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, boom placers, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment which enables us to quickly and effectively mobilise project works. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity.

As of June 30, 2015, we had 2,271 full time employees, of which a large number were qualified engineers. Our technically qualified and experienced employees enable us to effectively manage execution of projects. As of

June 30, 2015, we also employed 31,219 contract labourers.

We are committed to following stringent health, safety and environmental policies and practices in the execution of our projects and have received several awards and certifications for our operations and projects from our clients. We have also received quality certifications including, ISO 9001:2008 for quality management systems from International Certification Registrar Limited; OHSAS 18001:2007 from Absolute Quality Certification Private Limited and ISO 14001:2004 for environment management system from Absolute Quality Certification Private Limited. In addition, we have implemented the SAP ERP system at our corporate office and all our project sites enabling strong system control and real time monitoring of projects.

Between fiscal 2011 and 2015, our total income increased at a CAGR of 29.07% from ₹ 4,944.18 million in fiscal 2011 to ₹ 13,719.84 million in fiscal 2015. Our total income in fiscal 2012, 2013, 2014 and 2015 was ₹ 7,091.34 million, ₹ 9,404.12 million, ₹ 12,110.83 million and ₹ 13,719.84 million, respectively, while our profit after tax, as restated, in such periods was ₹ 524.10 million, ₹ 511.66 million, ₹ 680.95 million and ₹ 714.04 million, respectively.

Our Strengths

Integrated power infrastructure services providers with comprehensive service offering

We are an integrated power infrastructure services provider in India with a comprehensive service offering. We provide comprehensive ETC-BTG and BOP works, civil works and O&M services for power plants as well as other allied industries including petrochemicals, steel and cement. We also provide erection works services to gas and combined cycle power projects, HRSG, WHRB, CFBC boilers, steam turbine generators, steam generators including auxiliaries, ESPs, hydro turbines and BOP packages, including structural steel works, ash handling, coal handling, fuel oil systems and high-pressure piping works. In our Civil Works business, we provide civil and construction jobs for the main plant and BOP requirements including excavation, piling, concreting, architectural and building works. We also provide a comprehensive range of services in our O&M Services business, including annual maintenance contracts, other repairs, renovation and modernisation, residual life assessment, scheduled shutdowns, retro-fits, as well as overhauling, maintenance and upgradation services for power plants. In order to provide comprehensive O&M solutions, we entered into a joint venture agreement dated December 1, 2014, with Chengdu to incorporate a joint venture entity in Hong Kong for the manufacturing and marketing of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. For further information, see *"History and Corporate Structure"* on Page 161. In addition, we are in the process of setting up a heavy engineering facility at Noida for non-critical equipment and spare parts for power projects. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

In addition to our extensive experience working on thermal projects in India, our subsidiary Hydro Magus, provides renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

We believe that our comprehensive service offerings and established track record as an integrated power infrastructure services provider provide us with a significant competitive advantage.

Established track record

We have established a track record of successfully executing ETC-BTG and BOP contracts for large power projects including for 800 MW unit capacity super-critical projects. We have been engaged on ETC-BTG projects for the first two ultra-mega power projects in India as well as for 16 super-critical power projects in India as of June 30, 2015. We carried out the overhauling of a super-critical 660 MW turbine and provided AMC services for an ultra-mega power project.

According to the Central Electricity Authority, in fiscal 2011 through fiscal 2015, the aggregate thermal power plant capacity addition in India was approximately 88,048 MW. In the same period, we were engaged on ETC-BTG and BOP Works aggregating 33,801 MW. In fiscal 2015, we executed Erection Works contracts of aggregate tonnage of approximately 355,000 metric tonnes. Since commencement of the O&M business in 1999, we have been engaged on more than 400 O&M contracts as of June 30, 2015. We provide AMC services for power plants in India. As of June 30, 2015, we were engaged on 23 AMC services contracts for power plants across India with an aggregate unit capacity of 32,835 MW. In addition to our operations in India, we have also executed various international power projects in the Middle East, North Africa, South Asia and South America.

Large Order Book

Our aggregate Order Book as of March 31, 2015 was ₹ 34,062.68 million, comprising Order Book in the Erection Works, O&M Services and Civil Works businesses of ₹ 23,028.66 million, ₹ 5,904.28 million and ₹ 5,129.74 million, respectively. The aggregate value of the Erection Order Book also includes certain suspended projects (i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control) aggregating ₹ 1,896.68 million. A total of ₹ 1,896.68 million of our erection works projects were suspended as on March 31, 2015. All of these suspended projects belong to the Erection Works business.

The following table sets forth certain information relating to our Order Book as of March 31, 2015:

	Estimated Order Book (₹ in million)	**Percentage of Estimated Total Order Book (%)**
Erection Works	23,028.66*	67.61%
O&M Services	5,904.28	17.33%
Civil Works	5,129.74	15.06%
Total	**34,062.28***	**100.00%**

* *Includes ₹1,896.68 million of estimated Erection Order Book related to suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control.*

The following table sets forth certain information relating to our Order Book as of March 31, 2015 divided into projects to be executed within India and outside India:

International	**Estimated Order Book (₹ in million)**	**Percentage of Estimated Total Order Book (%)**
Domestic*	28,477.69	83.60%
International	5,584.99	16.40%
Total	**34,062.68***	**100.00%**

**Includes ₹1,896.68 million of estimated Erection Order Book related to suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control.*

However, our Order Book information is only indicative of future revenues and you should not place undue reliance on such information in making an investment decision. For further information on our Order Book, see the sub-section titled *"Our Business - Order Book"* on Page 142.

Strong project execution capabilities

We believe that our large equipment base, technically qualified and experienced employee pool and strong project management systems and capabilities enable us to execute large, complex projects in India and internationally. As of June 30, 2015, we had been engaged on more than 100 Erection Works projects (completed and ongoing projects) across India and in four international jurisdictions, including on two ultra-mega power projects and 16 super-critical power projects with unit capacities ranging from 150 MW up to 800 MW. Since commencement of our O&M business in 1999, we have been engaged on more than 400 O&M contracts, including AMC service for an UMPP as of June 30, 2015.

We have a significant equipment base including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment which enables us to quickly and effectively mobilise project works. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity. In addition, we are in the process of setting up a heavy engineering facility at Noida for non-critical equipment and spare parts for power projects, such as structures, ducting, tanks, vessels, LP piping systems, chimneys and pressure parts. As of June 30, 2015, we had 2,271 full time employees, of which a large number were qualified engineers.

We have succeeded in compressing project milestone schedules through adoption of advanced project execution methodologies, such as strand-jack systems for heavy lifting, bulk lifting of electrodes, preassembly of condensers outside the turbine/generator hall, and single piece coal silos and scaffoldings for the entire furnace area. We have developed expertise in undertaking field rewinding of rotors and stators, which can significantly reduce downtime for power plants. Our strong project execution capabilities have enabled us to complete various large and complex projects well within the stipulated delivery timelines.

We believe that our large equipment asset base enabling rapid mobilization of high quality equipment and our technical expertise and project execution capabilities are significant competitive advantages that enable us to prequalify for, effectively evaluate and bid for, and win, contracts for large complex power projects. Our project review committee includes senior management to ensure effective project management. In addition, we have implemented the SAP ERP system at all our project sites, enabling effective systems control and real time monitoring of projects.

Long term relationships with clients

We have developed long term relationships with various Indian and international power utilities, governmental organizations and other power sector intermediaries. These clients include public sector undertakings and private sector clients. We have also established strong relationships with large EPC companies that operate in the power sector as well as other infrastructure and allied sectors. Our significant clients include Bharat Heavy Electricals Limited, NTPC Limited, Doosan Power Systems India Private Limited, Adani Power Limited, Larsen & Toubro Limited-Thermal Power Plant Construction BU, Thermal Powertech Corporation India Limited, GE Power Services (India) Private Limited, CLP India Private Limited, BGR Energy Systems Limited, Thermax Engineering Construction Co. Limited, SEW Infrastructure Limited, KSK – Arasmeta Captive Power Company Limited, KSK - VS Lignite Power Private Limited, KSK –Mahanadi Power Company Limited, Abir Infrastructure Private Limited, Siemens Limited and Reliance Infrastructure Limited. We believe that our long term relationships with various public sector and private sector clients in India and internationally enable us to better understand our clients‘ requirements and better evaluate the scope of work and risks involved in a project we bid for, as well as address changing demands in our target markets. We have also worked on various projects with companies like Thermax Engineering Construction Co. Limited and NTPC Limited for more than four years.

Robust financial performance

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Between fiscal 2011 and 2015, our total income increased at a CAGR of 29.07% from ₹ 4,944.18 million in fiscal 2011 to ₹ 13,719.84 million in fiscal 2015, while our profit after taxation, as restated, increased at a CAGR of 17.38% from ₹ 376.14 million in fiscal 2011 to ₹ 714.04 million in fiscal 2015.

The table below sets forth certain information about our revenue from operations in fiscal 2011, 2012, 2013, 2014 and 2015:

(*₹ in million*)

Particulars	**Fiscal 2011**	**Fiscal 2012**	**Fiscal 2013**	**Fiscal 2014**	**Fiscal 2015**
Contract Receipts					
Erection Works	4,543.31	5,878.46	7,421.35	8,906.18	9,102.04
O&M Services	269.43	424.37	756.34	1,388.71	2,764.75
Civil Works	102.99	697.23	1,099.37	1,659.45	1,749.26
Supplies of Goods	-	-	-	-	33.90
Other Operating Revenue					
Crane hire charges	2.41	50.48	80.89	48.37	12.28
Total Revenue from Operations	**4,918.14**	**7,050.54**	**9,357.95**	**12,002.71**	13,662.23

In fiscal 2012, 2013, 2014 and 2015, total revenue from operations was ₹ 7,050.54 million, ₹ 9,357.95 million, ₹ 12,002.71 million and ₹ 13,662.23 million, respectively, reflecting our robust operations. Our RONW for equity shareholders in fiscal 2012, 2013, 2014 and 2015 was 30.94%, 23.36%, 23.93% and 20.13%, respectively, while our ROCE was 33.56%, 25.25%, 27.63% and 21.73%, respectively. We have also had strong cash flows from operations and in fiscal 2012, 2013, 2014 and 2015, net cash from operating activities was ₹ 420.53 million, ₹ 180.66 million, ₹ 267.52 million and ₹ 38.58 million, respectively. As of March 31,

2014 our long term debt equity ratio was 0.20 while it was 0.20 as of March 31, 2015.
Our strong balance sheet and positive operating cash flows enable us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations. Our financial strength provides us a valuable competitive advantage in terms of access to bank guarantees and letters of credit, which are factors critical to our business.

Qualified and motivated employee base and proven management team

We believe that a motivated and empowered employee base is key to our operations and business strategy, and have developed a large skilled employee base with significant experience in ETC-BTG and BOP projects, civil works and O&M projects. As of June 30, 2015, we had 2,271 full time employees, including a large number of qualified engineers. In addition, we employ a large number of contract labour depending on the requirements of our various projects. As of June 30, 2015, we engaged 31,219 contract labour at our various project sites. We believe that the skills and diversity of our employee base enables us to quickly adapt to the specific technical needs of various projects and clients. We are also dedicated to the development of the expertise and know-how of our employees. Our personnel policies are aimed towards recruiting talented employees and facilitating their integration into the Company and encouraging development of their skills.

Our experienced management team has been responsible for the growth of our operations over the years. Our senior management through a project management committee provides effective and direct supervision for project implementation at our various project sites. Our Chairman and Managing Director, Mr. S Kishore Babu has several years of experience in the power sector and has developed our business and operations since inception. We believe that our experienced and dynamic senior management team has been a key to our success and will enable us to capitalize on future growth opportunities. For further information on our key managerial personnel who have contributed to our growth, see the section titled *"Our Management"* on Page 181.

Our Business Strategy

Consolidate leadership position in power infrastructure services sector in India

We continue to consolidate our leadership position as an integrated infrastructure services provider particularly focused on the power sector in India by strategically expanding our service offerings and targeting higher margin thermal and hydropower contracts where we have a competitive advantage as a result of our superior technical capabilities, track record and experience. We continue to focus on potential projects and service offerings, including longer term AMC contracts, where we believe we can be competitive and improve profitability.

In addition to the wide range of our service offerings, we continue to focus on developing integrated and comprehensive O&M solutions and have in this regard entered into a joint venture agreement with Chengdu to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. We are in the process of setting up a large heavy engineering facility at Noida for non-critical equipment and spare parts. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India. In addition to our extensive experience on thermal power projects in India, we have through our subsidiary Hydro Magus increased our strategic focus on providing renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

In selecting contractors for major projects, clients generally limit the tender to contractors (or sub-contractors) they have pre-qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. We continue to focus on further developing our pre-qualification status through client development efforts and entering into strategic joint partnerships and pre-bid arrangements with other service providers. We also continue to evaluate strategic consortium opportunities with large EPC companies, including international infrastructure service providers, with the resources, skills and strategies complementary to ours and likely to enhance our business opportunities.

Expand our international business

Historically although most of our revenues have been from projects executed in India, we have also executed several international power projects in the Middle East, North Africa, South Asia and South America. In fiscal 2014, revenue from projects executed outside India was ₹ 763.13 million, representing 6.43% of our Company‘s total revenues from operations (on a standalone basis) in such period. In fiscal 2015, revenue from projects executed outside India was ₹ 844.72 million, representing 6.23% of our Company‘s total revenues from operations (on a standalone basis) in such period. We continue to focus on identifying opportunities to bid for and win international projects, including through strategic partnerships with large EPC contractors and power utilities. We intend to leverage our experience and track record of working on complex power projects in India to increase our operations internationally, particularly in the Middle East, North Africa and South Asia. We have recently bid for projects in Bangladesh as well as in the Middle East and North Africa. We also continue to actively evaluate opportunities to bid for projects in Sri Lanka, Central Asia and South East Asia.

Leverage our experience and track record in the power infrastructure services sector to strategically diversify into allied infrastructure sectors

We intend to leverage our construction capabilities and our strong track record and experience in ETC-BTG and BOP works, civil and structural works and O&M services in the power sector to strategically diversify into other infrastructure and allied sectors including the petrochemicals, steel and cement industries.

We intend to focus on specific project segments and service offerings in these allied industries where we identify significant growth opportunities and competitive advantages. We believe that our strong technical and project execution capabilities, large equipment base and qualified and technically skilled employee pool will enable us to successfully win and execute projects in these other sectors. We believe that diversifying our service offerings into other infrastructure and allied sectors will enable us to further grow our business operations, reduce the risk of dependency on the power sector and strategically target higher margin opportunities.

Further grow our O&M services offerings and focus on higher margin AMC services

We believe that the significant increase in capacity addition of IPP projects in India and the aging of several large power plants in India will result in a significant increase in demand for our O&M Services business, particularly opportunities for AMCs as well as contracts for repairs, renovation and modernisation, residual life assessment, scheduled shutdowns, retro-fits, overhauling, maintenance and upgradation services for power plants. Revenue from our O&M Services business was ₹ 424.37 million, ₹ 756.34 million, ₹ 1,388.71 million and ₹ 2,764.75 million in fiscal 2012, 2013, 2014 and 2015, representing 6.02%, 8.08%, 11.57% and 20.24%, respectively, of our total revenue from operations in these periods. We have experienced a significant growth in our O&M Services business in recent years which grew at a CAGR of 59.76% between fiscal 2011 and fiscal 2015. We expect the relative proportion of revenue from O&M Services to increase in the future. In addition, the level of competition for O&M contracts are relatively lower than the Erection Works projects we bid for as large EPC contractors do not typically bid for such contracts and smaller engineering construction companies that compete with us have limited technical and financial resources. Further we carried out our first AMC project in 2004 and our revenue from AMC services was ₹ 47.93 million, ₹ 208.53 million, ₹ 595.16 million and ₹ 1,541.73 million in fiscal 2012, 2013, 2014 and 2015, respectively. We expect the relative proportion of our revenues from the O&M Services business to significantly increase in future as we increase our focus on relatively higher margin O&M contracts, particularly AMCs.

Provide integrated O&M solutions by entering into equipment and spare parts distribution arrangements and developing heavy engineering capabilities

We believe that there is significant potential for backward integration in our operations and intend to improve our engineering, machining and repair facilities for general engineering components and non-critical equipment used in power projects including spare parts. This is particularly important to our O&M Services business which involves provision of repair, overhauling and maintenance services including spare parts and general engineering components. In order to provide comprehensive O&M solutions, we have entered into a joint venture agreement with Chengdu to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India. We are in the process of setting up a heavy engineering facility in Noida for the manufacture of non-critical equipment, components and spare parts for power plants such as engineering structures, ducting, tanks, vessels, LP piping systems, chimneys and pressure parts. We believe that this will enable us to achieve backward integration for our operations in this business, develop integrated O&M solutions for our clients and seek to achieve economies of scale as well as higher operating margins. This will also enable us to reduce our dependency on third party engineering component manufacturers.

Enhance our construction capabilities and develop advanced project execution methodologies

We continue to enhance our construction and related capabilities in order to provide effective and comprehensive solutions and value added services for the power sector and bid for larger, more complex projects and target higher margin projects in the power and other infrastructure and allied sectors. We believe that further strengthening our technical capabilities and know how will also enable us to provide a wider service offering and offer comprehensive solutions. We continue to adopt advanced construction, erection and maintenance technologies and methodologies and develop advanced construction and project execution methodologies. The introduction of technologically advanced methodologies such as strand-jack systems for heavy lifting, bulk lifting of electrodes, block lifting of boiler components, preassembly of condensers outside the turbine/generator hall, and single piece coal silos and scaffoldings for the entire furnace area have enabled us to successfully execute complex projects within compressed delivery schedules, reduce costs and improve operating margins. We continue to evaluate opportunities to acquire and implement advanced engineering technology capabilities through strategic partnerships and acquisitions.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial statements derived from our restated standalone financial statements for and as of fiscals 2015, 2014, 2013, 2012 and 2011 and our restated consolidated financial statements for and as of fiscals 2015, 2014, 2013, 2012 and 2011. These Financial Statements have been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations and are presented in the section titled "*Financial Statements*" on Page 198. The summary financial statements presented below should be read in conjunction with our restated financial statements, the notes and annexures thereto and the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on Page 363.

RESTATED STANDALONE FINANCIAL STATEMENTS

STATEMENT OF STANDALONE RESTATED ASSETS AND LIABILITIES

(₹ in million)

	Particulars	As at March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
I.	**Equity and Liabilities**					
A	**Shareholders' funds**					
	Share Capital					
	Equity Share Capital	125.83	109.40	107.53	107.53	107.53
	Reserves and Surplus					
	Securities premium account	364.17	268.10	232.47	232.47	232.47
	General reserve	145.00	145.00	110.00	90.00	70.00
	Surplus in Profit and Loss account	2904.39	2,212.49	1,582.27	1,113.72	622.11
	Sub-total (a)	**3,539.39**	**2,734.99**	**2,032.27**	**1,543.72**	**1,032.11**
B	**Non-current Liabilities**					
	Long-term borrowings	245.52	272.79	279.05	575.05	460.92
	Deferred tax liability (Net)	47.20	78.37	68.06	65.15	49.39
	Other long-term liabilities	641.26	936.04	829.02	866.51	539.27
	Long term provisions	1.86	-	-	-	-
	Sub-total (b)	**935.84**	**1,287.20**	**1,176.13**	**1,506.71**	**1,049.58**
C	**Current liabilities**					
	Short term borrowings	1,979.22	1,393.98	871.64	314.25	93.03
	Trade payables	2,207.92	1,869.70	1,458.32	677.90	495.16
	Other current liabilities	1,588.33	1,353.62	1,332.82	1,157.94	820.09
	Short term provisions	1,267.79	894.35	765.66	519.00	281.49
	Sub-total (c)	**7,043.26**	**5,511.65**	**4,428.44**	**2,669.09**	**1,689.77**
	Total ((a)+(b)+(c))	**11,518.49**	**9,533.84**	**7,636.84**	**5,719.52**	**3,771.46**
II.	**Assets**					
A	**Non-current assets**					
	Fixed assets					
	Tangible assets	1,773.17	1,719.06	1,681.01	1,692.28	1,215.05
	Intangible assets	11.05	13.05	11.99	0.26	0.01
	Capital work in progress	91.98	66.00	68.97	35.62	40.94
	Non-current investments	68.47	53.76	2.57	2.08	2.11

	Particulars	As at March 31,				
		2015	2014	2013	2012	2011
	Long term loans and advances	76.88	41.05	31.74	24.90	41.80
	Other non-current assets	1,571.54	1,688.48	949.66	763.58	625.53
	Sub-total (d)	**3,593.09**	**3,581.40**	**2,745.94**	**2,518.72**	**1,925.44**

STATEMENT OF STAND ALONE RESTATED ASSETS AND LIABILITIES

(₹ *in million*)

Particulars		As at March 31,				
		2015	2014	2013	2012	2011
B	**Current assets**					
	Current investments	-	-	-	-	-
	Inventories	306.83	242.86	192.49	110.56	77.78
	Trade receivables	1,941.69	1,481.95	1,741.97	1,475.71	732.07
	Cash and bank balances	670.36	687.32	565.77	420.19	423.55
	Short term loans and advances	2,598.58	1,934.63	1,299.82	893.72	375.21
	Other current assets	2,407.94	1,605.68	1,090.85	300.62	237.41
	Sub-total (e)	**7,925.40**	**5,952.44**	**4,890.90**	**3,200.80**	**1846.02**
	Total Assets ((d)+(e))	**11,518.49**	**9,533.84**	**7,636.84**	**5,719.52**	**3,771.46**

STATEMENT OF STANDALONE RESTATED PROFIT AND LOSS ACCOUNT

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
A	**INCOME**					
	Revenue from operations	13,556.07	11,871.96	9,329.61	7,050.54	4,918.14
	Other income	59.13	115.80	46.17	40.80	26.04
	Sub-total	**13,615.20**	**11,987.76**	**9,375.78**	**7,091.34**	**4,944.18**
B	**EXPENDITURE**					
	Cost of materials consumed	748.15	755.37	642.17	547.27	299.10
	Changes in inventories of Finished goods, Work- in- progress and Stock-in-trade	7.58	(12.91)	1.24	7.33	(0.04)
	Contract execution expenses	9,771.13	8,384.48	6,716.90	4,794.79	3,454.97
	Employee benefit expenses	1,175.87	1,067.23	667.58	498.22	351.83
	Finance costs	292.40	263.48	167.73	130.19	81.35
	Depreciation and amortization	366.40	327.41	334.70	386.35	242.49
	Other expenses	201.28	133.64	91.62	68.46	47.15
	Sub-total	**12,562.81**	**10,918.70**	**8,621.94**	**6,432.61**	**4,476.85**
C	**Profit before tax and extra ordinary items as per audited financial statements (A-B)**	**1,052.39**	**1,069.06**	**753.84**	**658.73**	**467.33**
	Add/ Less : Extra ordinary Items	-	-	-	-	-
D	**Profit after extra ordinary items and before tax as per audited financial statements**	**1,052.39**	**1069.06**	**753.84**	**658.73**	**467.33**
	Add: Adjustments on account of change in accounting policies - Increase in Profit (Refer Point 2(a) of Annexure IV)	-	-	-	123.64	98.06
E	**Profit before tax as restated**	**1,052.39**	**1,069.06**	**753.84**	**782.37**	**565.39**
F	**Tax expense**					
	As per audited financial statements					
	Current tax	376.51	377.47	249.78	242.50	164.37
	Deferred tax expense/(Credit)	(31.16)	10.30	2.92	(24.35)	(6.94)
	Taxation of earlier periods	-	(1.83)	-	-	-
	Sub-total	**345.35**	**385.94**	**252.70**	**218.15**	**157.43**
	Restatement of tax adjustments					
	Increase in tax expense – Deferred tax					
	Tax impact on restatement adjustments	-	-	-	40.11	31.81
	(Refer Point 2(a) of Annexure IV)					
	Total tax expense as restated	**345.35**	**385.94**	**252.70**	**258.26**	**189.24**
G	**Profit after tax as restated (E-F)**	**707.04**	**683.12**	**501.14**	**524.11**	**376.15**

STATEMENT OF RESTATED STAND ALONE CASH FLOW

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
A	**Cash flow from operating activities**					
	Profit before tax as Restated	**1,052.39**	**1,069.06**	**753.84**	**782.37**	**565.39**
	Adjustments for:					
	Depreciation and amortization	366.40	327.41	334.70	262.72	144.43
	Interest expense	292.40	263.48	167.73	130.19	81.35
	Interest income	(55.65)	(64.88)	(42.23)	(40.17)	(24.40)
	Provision for diminution in investments	(0.05)	(0.01)	0.01	0.03	0.01
	(Profit)/Loss on disposal of fixed assets	(0.31)	(0.98)	(3.90)	(0.08)	(0.27)
	Dividend income	-	(7.66)	-	-	-
	Restated operating profit before working capital changes	**1,655.18**	**1,586.41**	**1,210.15**	**1,135.06**	**766.51**
	Movements in working capital:					
	(Increase) / decrease in Inventories	(63.97)	(50.37)	(81.93)	(32.78)	(30.14)
	(Increase) / decrease in Trade and other receivables	(1,469.90)	(1,562.25)	(1,398.95)	(1,248.81)	(872.57)
	(Decrease) / increase in Trade Payables	355.65	618.68	745.33	971.72	749.27
	Cash generated from operations	**476.96**	**592.49**	**474.55**	**825.19**	**613.07**
	Less: Direct taxes paid	374.94	331.29	258.71	221.12	50.00
	Net cash generated from operating activities (A)	**102.02**	**261.20**	**215.86**	**604.07**	**563.07**

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
B	**Cash flow from investing activities**					
	Purchase of fixed assets (including capital works under progress)	(447.76)	(366.09)	(380.05)	(713.56)	(607.20)
	Proceeds from sale of fixed assets	3.58	3.50	17.63	2.12	0.70
	Bank deposits to the extent not considered as cash and cash equivalent	21.01	(106.69)	(69.26)	(20.53)	(118.26)
	Investment in securities of subsidiary companies	(14.66)	(51.16)	(0.51)	-	(1.92)
	Dividend income	-	7.66	-	-	-
	Interest income	55.65	64.88	42.23	40.17	24.40
	Net cash used in investing activities (B)	**(382.18)**	**(447.90)**	**(389.96)**	**(691.80)**	**(702.28)**
C	**Cash flow from financing activities**					
	Interest paid	(285.84)	(225.84)	(151.21)	(110.84)	(80.72)
	Dividend and Dividend tax paid	(17.90)	(12.58)	(12.50)	(21.08)	(24.46)
	Proceeds from borrowings	587.95	439.97	414.10	195.75	216.12

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
	Net cash generated from financing activities (C)	**284.21**	**201.56**	**250.39**	**63.83**	**110.94**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**4.05**	**14.85**	**76.29**	**(23.90)**	**(28.27)**
	Cash and cash equivalents at the beginning of the year	108.96	94.11	17.81	41.71	69.98
	Cash and cash equivalents at the end of the year	**113.01**	**108.96**	**94.11**	**17.81**	**41.71**

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
	Composition of cash and cash equivalents:					
	Cash on hand	2.98	1.45	0.71	1.25	1.84
	Balance with banks:					
	On Current accounts	109.86	107.46	93.28	16.52	39.87
	On Deposit accounts (net of bank deposits not considered as cash and cash equivalent)	0.17	0.05	0.12	0.04	-
	Total	**113.01**	**108.96**	**94.11**	**17.81**	**41.71**

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(₹ in million)

	Particulars	As at March 31,				
		2015	2014	2013	2012	2011
I	**Equity and Liabilities**					
A	**Shareholders' funds**					
	Share Capital					
	Equity Share Capital	125.83	109.40	107.53	107.53	107.53
	Reserves and Surplus					
	Securities premium account	364.18	268.10	232.47	232.47	232.47
	General reserve	145.38	145.38	110.38	90.63	69.90
	Surplus in Profit and Loss account	2,911.78	2,213.19	1,592.80	1,113.72	622.12
		3547.17	2736.07	2043.18	1544.35	1032.02
	Minority Interest	2.49	1.53	0.49	-	-
	Sub-total (a)	**3,549.66**	**2,737.60**	**2,043.67**	**1,544.35**	**1,032.02**
B	**Non-current Liabilities**					
	Long-term borrowings	365.75	274.19	280.40	575.05	460.92
	Deferred tax liability	47.21	78.37	68.06	65.15	49.39
	Other long-term liabilities	641.26	936.04	829.01	866.49	539.27
	Long Term Provisions	1.92	-	-	-	-
	Sub-total (b)	**1,056.14**	**1,288.60**	**1,177.47**	**1,506.69**	**1,049.58**
C	**Current liabilities**					
	Short term borrowings	1,997.41	1,393.99	871.64	314.26	93.02
	Trade payables	2,221.46	1,876.23	1,460.85	677.90	495.16
	Other current liabilities	1,579.93	1,368.19	1,334.12	1,157.94	820.09
	Short term provisions	1,273.84	895.34	765.65	519.00	281.49
	Sub-total (c)	**7,072.64**	**5,533.75**	**4,432.26**	**2,669.10**	**1,689.76**
	Total ((a)+(b)+(c))	**11,678.44**	**9,559.95**	**7,653.40**	**5,720.14**	**3,771.36**
II	**Assets**					
A	**Non-current assets**					
	Fixed assets					
	Tangible assets	1,798.37	1,744.92	1,687.02	1,696.42	1,215.05
	Intangible assets	33.77	35.71	11.99	0.26	0.01
	Capital work in progress	162.99	67.75	69.43	35.62	40.94
	Unallocated Capital expenditure	7.34	0.10	2.84	-	-
	Non-current investments	0.20	0.16	0.15	0.16	0.19
	Long term loans and advances	77.13	42.13	31.76	24.90	41.80
	Other non-current assets	1,556.10	1,688.50	949.66	763.58	625.53
	Sub-total (d)	**3,645.90**	**3,579.27**	**2,752.85**	**2,520.94**	**1,923.52**

STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(₹ in million)

	Particulars	As at March 31,				
		2015	2014	2013	2012	2011
B	**Current assets**					
	Current investments	-	-	-	-	-
	Inventories	320.92	242.99	192.49	110.56	77.78
	Trade receivables	1,953.65	1,492.44	1,770.26	1,475.71	732.07
	Cash and bank balances	678.29	688.42	567.22	420.42	425.47
	Short term loans and advances	2,613.07	1,941.97	1,303.53	893.71	375.20
	Other current assets	2,466.61	1,614.86	1,067.05	298.80	237.32
	Sub-total (e)	**8,032.54**	**5,980.68**	**4,900.55**	**3,199.20**	**1,847.84**
	Total Assets ((d)+(e))	**11,678.44**	**9,559.95**	**7,653.40**	**5,720.14**	**3,771.36**

STATEMENT OF RESTATED CONSOLIDATED PROFIT AND LOSS ACCOUNT

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
A	**INCOME**					
	Revenue from operations	13,662.23	12,002.71	9,357.95	7,050.54	4,918.14
	Other income	57.61	108.12	46.17	40.80	26.04
	Sub-total	**13,719.84**	**12,110.83**	**9,404.12**	**7,091.34**	**4,944.18**
B	**EXPENDITURE**					
	Cost of materials consumed	770.04	790.15	646.77	547.27	299.10
	Change in inventories of Finished goods, Work- in- progress and Stock-in-trade	7.58	(12.91)	1.24	7.33	(0.05)
	Contract execution expenses	9,800.15	8,434.09	6,722.92	4,794.79	3,454.98
	Employee benefit expenses	1,201.76	1,091.89	668.31	498.22	351.83
	Finance costs	294.30	266.14	167.92	130.20	81.36
	Depreciation and amortization	367.78	328.43	335.77	386.35	242.49
	Other expenses	212.69	145.74	96.84	68.46	47.15
	Sub-total	**12,654.30**	**11,043.53**	**8,639.77**	**6,432.62**	**4,476.86**
C	**Profit before tax and extra ordinary items as per audited financial statements (A-B)**	**1,065.54**	**1,067.30**	**764.35**	**658.72**	**467.32**
	Add/ Less : Extra ordinary Items	--	--	--	--	--
D	**Profit after extra ordinary items and before tax as per audited financial statements**	**1,065.54**	**1,067.30**	**764.35**	**658.72**	**467.32**
	Add: Adjustments on account of changes in accounting policies Increase in Profit (**Refer Note 2(a) of Annexure IV**)	-	-	-	123.64	98.06
E	**Profit before tax as restated**	**1,065.54**	**1,067.30**	**764.35**	**782.36**	**565.38**
F	**Tax expense**					
	As Per audited financial statements					
	Current tax	380.95	376.83	249.78	242.50	164.37
	Deferred tax expense/(Credit)	(31.16)	10.31	2.91	(24.35)	(6.94)
	Taxation of earlier periods	-	(1.83)	-	-	-
	Sub-total	**349.79**	**385.31**	**252.69**	**218.15**	**157.43**
	Restatement tax adjustments					
	Increase in tax expense – Deferred tax					
	Tax impact on restatement adjustments	-	-	-	40.11	31.81
	(Refer Note 2(a) of Annexure IV)					
	Total tax expense as restated	**349.79**	**385.31**	**252.69**	**258.26**	**189.24**
G	**Profit after tax as restated before adjusting for Minority Interest(E-F)**	**715.75**	**681.99**	**511.66**	**524.10**	**376.14**
	Less: Adjustment for Minority Interest	1.71	1.04	--	--	--
	Profit after tax as restated after adjusting for Minority Interest	**714.04**	**680.95**	**511.66**	**524.10**	**376.14**

STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
A	**Cash flow from operating activities**					
	Profit before tax as Restated	**1,065.54**	**1,067.30**	**764.35**	**782.36**	**565.38**
	Adjustments for:					
	Depreciation and amortization	367.78	328.43	335.77	262.71	144.43
	Interest expense	294.29	266.14	167.92	130.20	81.36
	Interest income	(54.13)	(57.21)	(42.23)	(40.17)	(24.40)
	Provision for diminution in investments	(0.05)	-	0.01	0.03	0.01
	(Profit)/Loss on disposal of fixed assets	(0.31)	(0.99)	(3.91)	(0.03)	(0.27)
	Dividend income	-	(7.66)	-	-	-
	Restated operating profit before working capital changes	**1,673.12**	**1,596.01**	**1,221.91**	**1,135.10**	**766.51**
	Movements in working capital:					
	(Increase) / decrease in Inventories	(77.92)	(50.50)	(81.93)	(32.78)	(30.14)
	Increase in Trade and Other Receivables	(1,520.04)	(1,581.25)	(1,406.87)	(1,223.32)	(872.53)
	Increase in current liabilities	340.04	635.43	706.25	762.64	701.80
		415.20	**599.69**	**439.36**	**641.64**	**565.64**
	Less: Direct taxes paid	376.62	332.17	258.70	221.11	50.00
	Net cash generated from operating activities (A)	**38.58**	**267.52**	**180.66**	**420.53**	**515.64**

STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
B	**Cash flow from investing activities**					
	Purchase of fixed assets (including capital work in progress)	(524.98)	(374.35)	(388.48)	(741.12)	(607.21)
	Realisation on Sale of fixed assets	3.58	7.85	17.63	2.12	0.70
	Bank deposits to the extent not considered as cash and cash equivalent	15.63	(106.69)	(69.29)	(20.53)	(118.26)
	Invesment in Subsidary Company (Acquired from Others)	(0.82)	-	-	-	-
	Repatriation of Distributable profits	-	(7.66)	-	-	-
	Dividend income	-	7.66	-	-	-
	Interest income	54.13	57.21	42.23	40.17	24.40
	Net cash used in investing activities (B)	**(452.46)**	**(415.98)**	**(397.91)**	**(719.36)**	**(700.37)**
C	**Cash flow from financing activities**					
	Interest paid	(287.73)	(226.63)	(151.38)	(110.69)	(80.47)

	Particulars	For the year ended March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
	Dividend and Dividend tax paid	(17.90)	(12.58)	(12.50)	(21.08)	(24.46)
	Proceeds from borrowings	725.01	402.18	458.64	405.03	263.29
	Net cash generated from financing activities (C)	**419.38**	**162.97**	**294.76**	**273.26**	**158.36**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**5.50**	**14.51**	**77.51**	**(25.57)**	**(26.37)**
	Cash and cash equivalents at the beginning of the year	110.06	95.55	18.04	43.61	69.98
	Cash and cash equivalents at the end of the year	**115.56**	**110.06**	**95.55**	**18.04**	**43.61**

STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(₹ in million)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
B	**Cash flow from investing activities**					
	Purchase of fixed assets (including capital work in progress)	(524.98)	(374.35)	(388.48)	(741.12)	(607.21)
	Realisation on Sale of fixed assets	3.58	7.85	17.63	2.12	0.70
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	Invesment in Subsidary Company (Acquired from Others)	(0.82)	-	-	-	-
	Repatriation of Distributable profits	-	(7.66)	-	-	-
	Dividend income	-	7.66	-	-	-
	Interest income	54.13	57.21	42.23	40.17	24.40
	Net cash used in investing activities (B)	**(452.46)**	**(415.98)**	**(397.91)**	**(719.36)**	**(700.37)**
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	Interest paid	(287.73)	(226.63)	(151.38)	(110.69)	(80.47)
	Dividend and Dividend tax paid	(17.90)	(12.58)	(12.50)	(21.08)	(24.46)
	Proceeds from borrowings	725.01	402.18	458.64	405.03	263.29
	Net cash generated from financing activities (C)	**419.38**	**162.97**	**294.76**	**273.26**	**158.36**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**5.50**	**14.51**	**77.51**	**(25.57)**	**(26.37)**
	Cash and cash equivalents at the beginning of the year	110.06	95.55	18.04	43.61	69.98
	Cash and cash equivalents at the end of the year	**115.56**	**110.06**	**95.55**	**18.04**	**43.61**

THE ISSUE

Equity Shares Offered	
Issue	4,269,000 Equity Shares
of which	
Fresh Issue[(1)]	2,128,000 Equity Shares
Offer for Sale[(2)]	2,141,000 Equity Shares
A) QIB portion[(3)(4)]	2,134,500 Equity Shares
of which:	
Anchor Investor Portion	Upto 1,280,700 Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Upto 853,800 Equity Shares
of which:	
Available for allocation to Mutual Funds only (5.00% of the QIB Portion (excluding the Anchor Investor Portion))	42,690 Equity Shares
B) Non-Institutional Portion[(4)]	Not less than 640,350 Equity Shares
C) Retail Portion[(3)(4)]	Not less than 1,494,150 Equity Shares
Pre and post Issue Equity	
Equity Shares outstanding prior to the Issue	12,582,764 Equity Shares
Equity Shares outstanding after the Issue [(5)]	14,710,764 Equity Shares
Use of Net Proceeds	See the section titled "*Objects of the Issue*" on Page 102 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Allocation to all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see the sub-section titled "*Issue Procedure – Allotment Procedure and Basis of Allotment*" on Page 516.

(1) The Fresh Issue has been authorized by a resolution of our Board of Directors dated June 26, 2014 and a resolution of our shareholders in their Extraordinary General Meeting dated October 16, 2014.

(2) The Equity Shares being offered by the Selling Shareholders in the Issue, or the compulsorily convertible preference shares and/ or the compulsorily convertible debentures which were converted into such Equity Shares, as the case may be, being included in the Issue, have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Issue. The Offer for Sale has been authorised by the Selling Shareholders as follows: (i) India Business Excellence Fund I has authorised offer of 1,689,300 Equity Shares in the Offer for Sale by way of the board resolution dated October 9, 2014; (ii) India Business Excellence Fund has authorised offer of 438,700 Equity Shares in the Offer for Sale by way of letter dated October 15, 2014 from MOPE Investment Advisors Private Limited, it's investment managers; (iii) P Srinivasa Rao has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014; and (iv) D Aakashnag, represented by his guardian D.S. Rao, has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014.

(3) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the QIB Portion. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

(4) Allocation to all categories shall be made in accordance with the SEBI ICDR Regulations.

(5) Assuming full subscription of the Fresh Issue and transfer of all the Equity Shares offered for sale by the Selling Shareholders through the Offer for Sale.

GENERAL INFORMATION

Our Company was originally incorporated on July 22, 1999 as a private limited company by the name Power Mech-Projects Private Limited under the Companies Act, 1956. Pursuant to a resolution passed by our shareholders on September 28, 2007, our Company was converted into a public limited company as Power Mech-Projects Limited and a fresh certificate of incorporation was issued on October 16, 2007. Subsequently our Company's name was changed to Power Mech Projects Limited vide a resolution passed by our shareholders on September 15, 2010. A fresh certificate of incorporation pursuant to the change of name was issued by the RoC on November 1, 2010.

For details of the business of our Company, see the section titled "*Our Business*" on Page 127.

Registered Office

Power Mech Projects Limited
Plot No. 77, Jubilee Enclave,
Opposite Hitex, Madhapur,
Hyderabad 500 081
Telangana, India

Tel: +91 40 3044 4444
Fax: +91 40 3044 4400
Email: compliance@powermech.net
Website: www.powermechprojects.in

For further details in relation to change in the location of the registered office of our Company, please see the section titled "*History and Corporate Structure*" on Page 157.

Corporate Identity Number: U74140TG1999PLC032156
Company registration number: 032156

Address of RoC

Our Company is registered with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad situated at the following address:

The Registrar of Companies
2nd Floor, CPWD Building,
Kendriya Sadan, Sultan Bazar, Koti,
Hyderabad – 500195,
Telangana, India

Board of Directors of our Company

Name/Designation	Age (in years)	DIN	Address
S. Kishore Babu Chairman and Managing Director	52	00971313	60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh, India
S. Lakshmi Non-executive Director	50	00068991	60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh , India
M. Rajendran Executive Director	58	01879556	5, Meenatchipuram, Ulunderpet (T), Ulunderpet, Villupuram 606 107, Tamil Nadu, India
T. Sankaralingam Non-executive independent Director	67	00015954	18/22, Pasumarthi, St 2nd Lane, Kodambakkam, Chennai 600 024, Tamil Nadu, India
Amitabha Guha Non-executive independent Director	66	02836707	DL – 182, Salt Lake, Block DL, Sector – II, Bidhannagar (East), North 24, Parganas, Kolkata 700 091, West Bengal, India
M. L. Sah	65	03494357	E903, Vijay Apartment Ahinsa Khandi 2,

Name/Designation	Age (in years)	DIN	Address
Non-executive independent Director			Indirapuram, Ghaziabad 201 014, Uttar Pradesh, India
G.D.V. Prasada Rao Non-executive independent Director	66	02754904	115 A, Journalist Colony, Jubilee Hills, Hyderabad 500 033, Telangana, India
Rakesh Sony Non-executive nominee Director	39	00363053	Chaitanya Towers, 1802, A Wing, Prabhadevi, Mumbai 400 025, Maharashtra, India

For further details of our Directors, see the section titled "*Our Management*" on Page 165.

Selling Shareholders

The details of our Selling Shareholders are set forth below-

Name	Details
India Business Excellence Fund I	A public limited life company organised under the laws of the Republic of Mauritius and having its registered office at Suite 304, Third Floor, NG Tower, Cyber City, Ebene, Mauritius.
India Business Excellence Fund	A unit scheme of Business Excellence Trust, a trust created under the (Indian) Trust Act, 1882, represented by its trustee IL&FS Trust Company Limited, having its registered office at IL&FS Financial Center, C 22, G block, Bandra Kurla Complex, Mumbai 400 051, Maharashtra, India.
P. Srinivasa Rao	An individual holding permanent account number, AEJPP6161J.
D. Aakashnag	A minor represented by his guardian, D.S. Rao holding permanent account number, AEBPD1850J.

Company Secretary and Compliance Officer

Mohit Gurjar is the Company Secretary and the Compliance Officer of our Company. His contact details are as follows:

Mohit Gurjar
Power Mech Projects Limited
Plot No. 77, Jubilee Enclave,
Opposite Hitex, Madhapur,
Hyderabad 500 081
Telangana, India
Tel: +91 40 3044 4418
Fax: +91 40 3044 4400
Email: cs@powermech.net

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 Allotted Equity Shares in the respective beneficiary account, refund orders, etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, application number, address of the applicant, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the entity and centre where the Bid cum Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB and the Syndicate Members at the Specified Locations with whom the Bid cum Application Form was submitted, giving full details such as name and address of the applicant, Bid cum Application Form number, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and Designated Branch or the collection centre of the SCSB or the address of the centre of the Syndicate Member at the Specified Locations where the Bid cum Application Form was submitted by the ASBA Bidder.

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned herein above.

Chief Financial Officer

J. Satish is the Chief Financial Officer of our Company. His contact details are as follows:

J. Satish
Power Mech Projects Limited
Plot No. 77, Jubilee Enclave,
Opposite Hitex, Madhapur,
Hyderabad 500 081
Telangana, India
Tel: +91 40 3044 4422
Fax: +91 40 3044 4400
Email: satishj@powermech.net

Book Running Lead Managers

Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C - 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India Tel: +91 22 4336 0000 Fax: +91 22 6713 2447 Email: pmpl.ipo@kotak.com Investor grievance email: kmccredressal@kotak.com Website: http://investmentbank.kotak.com Contact Person: Ganesh Rane SEBI Registration No.: INM000008704
IIFL Holdings Limited* 8th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India Tel: +91 22 4646 4600 Fax: +91 22 2493 1073 Email: pmpl.ipo@iiflcap.com Investor grievance email: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Pinak Bhattacharyya/ Pinkesh Soni SEBI Registration No.: INM000010940
Motilal Oswal Investment Advisors Private Limited** Motilal Oswal Tower, 12th floor Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 3980 4380 Fax: +91 22 3980 4315 Email: pmpl.ipo@motilaloswal.com Investor grievance email: moiaplredressal@motilaloswal.com Website: www.motilaloswal.com Contact Person: Rupesh Khant SEBI Registration No.: INM00001105

**Pursuant to the transfer of Merchant Banker registration, issued under the SEBI (Merchant Bankers) Regulations, 1992, from India Infoline Limited, as approved by SEBI vide letter dated April 7, 2015, bearing No. MIRSD-3/MS/MB/9926/15, with continuance of registration.*
*** In compliance with the proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, read with proviso to regulation 5 (3) of the SEBI ICDR Regulations, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue.*

Syndicate Members

Kotak Securities Limited
Nirlon House, 3rd Floor
Dr. Annie Besant Road
Near Passport Office, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6740 9431
Fax: +91 22 6661 7041
E-mail: umesh.gupta@ kotak.com
Investor Grievance E-mail: ipo.redressal@kotak.com
Website: www.kotaksecurities.com
Contact Person: Umesh Gupta
SEBI Registration No: BSE: INB010808153; NSE: INB230808130.
CIN: U99999MH1994PLC134051

India Infoline Limited
IIFL Centre, Kamala City,
Senapati Bapat Marg, Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4249 9000
Fax: +91 22 2495 4313
Email: cs@indiainfoline.com
Investor grievance email: customergrievances@indiainfoline.com
Website: www.indiainfoline.com
Contact Person: Rajesh Gandhi
SEBI Registration No.: BSE: INB11097533; NSE: INB231097537
CIN: U99999MH1996PLC132983

Motilal Oswal Securities Limited
Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 3027 8129
Fax: +91 22 3980 4315
E-mail: santosh.patil@motilaloswal.com
Investor Grievance E-mail: ipo.redressal@motilaloswal.com
Website: www.motilaloswal.com
Contact Person: Santosh Patil
SEBI Registration No: BSE: INB011041257; NSE: INB231041238.
CIN: U65990MH1994PLC079418

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA Process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries. For details of the Designated Branches which shall collect the Bid cum Application Forms from the ASBA Bidders, please refer to the above mentioned link. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries.

Registered Brokers

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit Bid cum Application Forms using the stock broker network of the Stock Exchanges, i.e., through Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and email address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively.

Legal Counsel to the Company as to Indian Law
Krishnamurthy & Co. A-41, Himalaya House 23, Kasturba Gandhi Marg New Delhi 110 001, India
Legal Counsel to the BRLMs as to Indian Law
Luthra and Luthra Law Offices Indiabulls Finance Centre Tower 2, Unit A2, 20th Floor Elphinstone Road Senapati Bapat Marg, Lower Parel Mumbai 400 013 Maharashtra, India
International Legal Counsel to the BRLMs
Squire Patton Boggs Singapore LLP 10 Collyer Quay #03-01/02 Ocean Financial Center Singapore 049 315
Statutory Auditors to the Company
M/s Brahmayya & Co., Chartered Accountants 33-25-33/B, Govindarajulu Naidu Street, Suryaraopet, Vijayawada 500002, Andhra Pradesh, India Tel: +91 866 244 4592 Fax: +91 866 244 4594 Email: karumanchirajaj@yahoo.co.in Firm Registration No.: 000513S
Registrar to the Issue
Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 Fax: +91 40 2300 1153 Toll free no.: 1800 3454 001 Email: einward.ris@karvy.com Investor grievance email: powermech.ipo@karvy.com Website: www.karisma.karvy.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221

Bankers to the Issue and/or Escrow Collection Banks	
State Bank of India New Issue Department, Capital Market Br. (11777) Charanjit Rai Marg, Fort, Mumbai 400 001 Maharashtra, India Contact Person: Leena Kamat Tel: +91 22 2209 4927/ 2209 4932 Fax: +91 22 2209 4921 Email: nib.11777@sbi.co.in Website: www.sbi.co.in SEBI Registration No.: INBI00000038	**ICICI Bank Limited** Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai 400 020, Maharashtra, India Tel: +91 22 2285 9923 Fax: +91 22 2261 1138 Contact Person: Rishav Bagrecha Email: rishav.bagrecha@icicibank.com Website: www.icicibank.com SEBI Registration No.: INBI00000004

Bankers to the Issue and/or Escrow Collection Banks	
Axis Bank Limited Ground Floor, SBR Towers, Plot no. 22, HUDA Techno Enclave, Madhapur, Hyderabad 500 081, Telangana, India Tel: +91 40 2311 5422/ 2311 3045 Fax: +91 40 2311 2965 Contact Person: Branch Head Email: madhapur.branchhead@axisbank.com Website: www.axisbank.com SEBI Registration No.: INBI00000017	
Refund Banker	
ICICI Bank Limited Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai 400 020, Maharashtra, India Tel: +91 22 2285 9923 Fax: +91 22 2261 1138 Contact Person: Rishav Bagrecha Email: rishav.bagrecha@icicibank.com Website: www.icicibank.com SEBI Registration No.: INBI00000004	
Key bankers to our Company	
State Bank of Hyderabad Patamatalanka Branch, Near NTR Circle Vijayawada 520 010 Andhra Pradesh, India Tel: +91 866 247 2644/ 247 3122 Fax: +91 866 247 0411 Contact Person: P. Venkat Kumar Email: patamatalanka@sbhyd.co.in Website: www.sbhyd.com	**Standard Chartered Bank** Crescenzo, 3/F, Plot No. C-38 & 39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India Tel : +91 22 2675 7250 Fax: +91 22 2675 7358 Contact Person: Rohan Ganpule Email: ipo.scb@sc.com Website: www.standardchartered.com
ICICI Bank Limited CBG, Tower-2, South Wing, 2nd floor, ICICI Bank Towers, Plot no. 12, Financial District, Gachibowli, Hyderabad 400 032 Telangana, India Tel: +91 40 4109 7117/ 4106 6827 Fax: +91 40 4106 6450 Contact Person: Venkateswarlu P./Santosh Kumar M.V.S. Email:venkateswarlu.p@icicibank.com/ ku.sant@icicibank.com Website: www.icicibank.com	**State Bank of India** No. 241/a, 3rd Floor, Road no. 36, Jubilee Hills, Hyderabad, Telangana, India Tel : +91 40 2314 7508 Fax: +91 40 2314 7502 Contact Person: K. Jyothi Email: sbi.01921@sbi.co.in
Citibank N.A. First Floor, Queen's Plaza, S.P. Road, Begumpet, Secunderabad 500 003 Telangana, India Tel: +91 4000 5775/ 4000 4813 Fax: +91 2790 7520 Contact Person: Raghu Chejarla/ Rishabh Choraria Email: raghu.chejaria@citi.com/ rishabh.choraria@citi.com Website: www.citibank.co.in	

Monitoring Agency

There is no requirement for appointing a monitoring agency for this Issue under Regulation 16(1) of the SEBI ICDR Regulations since our proposed Issue size is less than ₹ 5,000 million. However, as per the Clause 49 of the Listing Agreement, upon listing of the Equity Shares in accordance with the corporate governance requirements, the Audit Committee would be monitoring the utilization of the proceeds of the Issue.

IPO Grading

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

Credit Rating

As this is an Issue of Equity Shares, there is no credit rating for this Issue.

Trustees

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

Project Appraisal

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

Experts

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

Our Company has received consent from the Statutory Auditors of our Company namely, M/s. Brahmayya & Co., Chartered Accountants, to include their name as an expert under Section 26 (5) of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report of the Statutory Auditor dated July 7, 2015 and statement of tax benefits dated July 16, 2015 included in this Red Herring Prospectus and such consent has not been withdrawn as of the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

Statement of Inter-se Allocation of Responsibilities for the Issue

The following table sets forth the distribution of responsibility and coordination for various activities in this Issue amongst the BRLMs:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	Kotak*, IIFL*	Kotak
2.	Due diligence of Company's operations/ management/ business plans/ legal etc. Drafting and design of Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing.	Kotak, IIFL, MO*#	Kotak
3.	Drafting and approval of all statutory advertisements	Kotak, IIFL	Kotak
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in 3 above, including corporate advertisement, brochures	Kotak, IIFL	IIFL
5.	Appointment of intermediaries and coordination of intermediary agreements - Advertising agency and printers - Escrow Banks and Registrar	Kotak, IIFL	IIFL
6.	International institutional marketing strategy, including finalizing the list and allocation of investors for one to one meetings, in consultation with the Company, finalizing the international road show schedule & investor meeting schedules	Kotak, IIFL, MO#	Kotak
7.	Preparation of road show presentation and frequently asked questions	Kotak, IIFL, MO#	MO#
8.	Marketing strategy for domestic institutions including banks, mutual funds, etc., finalizing the list and division of investors for one to one meetings, in consultation with the Company, and finalizing the investor meeting schedules	Kotak, IIFL, MO#	MO#
9.	Non-institutional and retail marketing of the Issue, which will include inter alia, formulating	Kotak, IIFL,	IIFL

S. No.	Activity	Responsibility	Coordinator
	marketing strategies, preparation of publicity budget, finalizing media and PR strategy, finalizing centres for holding conferences for press and brokers, deciding on the quantum of issue material and following-up on distribution of publicity and issue material including forms, prospectuses, etc.	MO#	
10.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading	Kotak, IIFL	IIFL
11.	Finalization of pricing, in consultation with the Company and managing the book	Kotak, IIFL	Kotak
12.	The post bidding & post issue activities including management of escrow accounts, co-ordination of institutional and non-institutional allocation, intimation of allocation and dispatch of refunds to bidders etc. The post Issue activities for the Issue involving essential follow up steps, which include the finalization of trading and dealing of instruments and demat of delivery of Equity Shares, with the various agencies connected with the work such as the Registrar to the Issue and Bankers to the Issue, SCSBs and the bank(s) handling refund business. The merchant banker shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company	Kotak, IIFL	IIFL

**"Kotak" refers to Kotak Mahindra Capital Company Limited, "IIFL" refers to IIFL Holdings Limited and "MO" refers to Motilal Oswal Investment Advisors Private Limited.*

#Please note that India Business Excellence Fund, one of the Selling Shareholders in this Issue, along with Motilal Oswal Investment Advisors Private Limited is jointly controlled. Accordingly, in compliance with proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue.

Even if any of these activities are handled by other intermediaries, the designated BRLMs shall be responsible for ensuring that these agencies fulfil their functions and enable them to discharge this responsibility through suitable agreements with our Company and the Selling Shareholders.

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and advertised at least five Working Days prior to the Bid/Issue Opening Date. The Issue Price is finalized by our Company in consultation with the BRLMs after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the Selling Shareholders;
- the BRLMs;
- the Syndicate Members who are intermediaries registered with the SEBI or registered as brokers with BSE/NSE and eligible to act as underwriters. The Syndicate Members are appointed by the BRLMs;
- the SCSBs;
- the Registered Brokers;
- Refund Bank;
- the Registrar to the Issue; and
- the Escrow Collection Banks.

This Issue is being made for at least 25.00% of the fully diluted post-Issue capital of our Company, pursuant to Rule 19(2)(b)(i) of SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein 50.00% of the Issue shall be available for allocation to QIBs on a proportionate basis. Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the QIB Portion. Such number of Equity Shares representing 5.00% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, such that subject to availability of Equity Shares, each Retail Individual Bidder shall be allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

QIBs (excluding Anchor Investors) and Non-Institutional Bidders can participate in the Issue only through the ASBA process and Retail Individual Bidders have the option to participate through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until finalisation of the Basis of Allotment. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis. For further details, see the section titled "*Issue Procedure*" on Page 477.

Our Company and the Selling Shareholders will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage the Issue and procure subscriptions to the Issue.

The process of Book Building under the SEBI 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 or application 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, it also excludes bidding by the Anchor Investors).

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the shares of the issuer company at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The Issuer, in consultation with the BRLMs, will finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22. All bids at or above this issue price and cut-off bids 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 the sub-section titled "*Issue Procedure - Who can Bid?*" on Page 479);

2. Ensure that you have a PAN, an active dematerialized account and the dematerialized account details including DP ID, Client ID and PAN are correctly mentioned in the Bid cum Application Form;

3. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI Circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in securities market, and (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see the section titled "*Issue Procedure*" on Page 479);

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

5. Ensure the correctness of your demographic details given in the Bid cum Application Form, with the details recorded with your Depository Participants;

6. Bids by QIBs (excluding the Anchor Investors) and Non Institutional Bidders shall be submitted only through the ASBA process;

7. Bids by non-ASBA Bidders will have to be submitted to the Syndicate (or their authorized agents) at the bidding centers or the Registered Brokers at the Broker Centers;

8. Bids by ASBA Bidders will have to be submitted to the Designated Branches or the Syndicate in the Specified Locations or the Registered Brokers in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the specified bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the Bid cum Application Form submitted by the ASBA Bidders is not rejected; and

9. Bids by the QIBs including Anchor Investors will have to be submitted to the BRLMs or their affiliates.

Withdrawal of the Issue

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Allotment. However, if our Company and the Selling Shareholders withdraw the Issue, after the Bid/Issue Closing Date, our Company shall issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day of receipt of such notification. Our Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company and the Selling Shareholders withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue of our Company's Equity Shares, our Company shall file a fresh draft red herring prospectus with 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.

Bid/Issue Programme

BID/ISSUE OPENS ON	**August 7, 2015***
BID/ISSUE CLOSES ON	**For QIB Bidders August 11, 2015**** **For Retail Individual Bidders and Non Institutional Bidders: August 11, 2015**

**Our Company and the Selling Shareholders in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.*

***Our Company and the Selling Shareholders in consultation with the BRLMs may consider closing the Bid/Issue Period for QIB Bidders one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into 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 BRLMs shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfil their underwriting obligations. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

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

(*₹ in million, except share data*)

Name, address, telephone number, fax number and email of the Underwriters	**Indicative Number of the Equity Shares to be Underwritten**	**Amount Underwritten**
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after pricing of the Issue and actual allocation and subject to provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on certificates provided 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 SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors/Committee of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above table, the BRLMs and the Syndicate Members 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/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The share capital of our Company before the Issue and after giving effect to the Issue, as at the date of this Red Herring Prospectus, is set forth below:

(*₹ in million, except share data*)

		Aggregate nominal value	Aggregate value at Issue Price#
A)	**Authorised Share Capital**		
	26,000,000 Equity Shares	260.00	[●]
B)	**Issued, subscribed and paid up share capital before the Issue**		
	12,582,764 Equity Shares	125.83	[●]
C)	**Present Issue in terms of this Red Herring Prospectus***		
	upto 4,269,000 Equity Shares	42.69	[●]
	Out of which		
	a. Fresh Issue		
	2,128,000 Equity Shares	21.28	[●]
	b. Offer for Sale		
	2,141,000 Equity Shares^	21.41	[●]
	Of which:		
	QIB Portion of 2,134,500 Equity Shares	21.35	[●]
	Of which:		
	Anchor Investor Portion is up to 1,280,700 Equity Shares	12.81	[●]
	Net QIB Portion of up to 853,800 Equity Shares	8.54	[●]
	Of which:		
	Mutual Fund Portion is 42,690 Equity Shares	0.43	[●]
	Non Institutional Portion of not less than 640,350 Equity Shares	6.40	[●]
	Retail Portion of not less than 1,494,150 Equity Shares	14.94	[●]
D)	**Issued, subscribed and paid up Equity Capital after the Issue@**		
	14,710,764 Equity Shares	147.11	[●]
E)	**Share premium account**		
	Before the Issue	364.17	
	After the Issue#	[●]	

* This Issue has been authorized by a resolution of our Board of Directors dated June 26, 2014 and a resolution of our shareholders in their Extraordinary General Meeting dated October 16, 2014.

^ The Offer for Sale has been authorised by the Selling Shareholders as follows: (i) India Business Excellence Fund I has authorised offer of 1,689,300 Equity Shares in the Offer for Sale by way of the board resolution dated October 9, 2014; (ii) India Business Excellence Fund has authorised offer of 438,700 Equity Shares in the Offer for Sale by way of letter dated October 15, 2014 from MOPE Investment Advisors Private Limited, it's investment managers;(iii) P Srinivasa Rao has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014; and (iv) D Aakashnag, represented by his guardian D.S. Rao, has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014.

\# To be finalized upon determination of the Issue Price.

@Assuming full subscription of the Fresh Issue and transfer of all the Equity Shares offered for sale by the Selling Shareholders through the Offer for Sale.

Changes in the Authorised Share Capital

1. The initial authorised share capital of ₹ 5 million divided into 500,000 Equity Shares was increased to ₹ 6 million divided into 600,000 Equity Shares pursuant to a resolution of our Shareholders passed on March 20, 2003.

2. The authorised share capital of ₹ 6 million divided into 600,000 Equity Shares was increased to ₹ 7 million divided into 700,000 Equity Shares pursuant to a resolution of our Shareholders passed on February 12, 2004.

3. The authorised share capital of ₹ 7 million divided into 700,000 Equity Shares was increased to ₹ 7.5 million divided into 750,000 Equity Shares pursuant to a resolution of our Shareholders passed on May 15, 2004.

4. The authorised share capital of ₹ 7.50 million divided into 750,000 Equity Shares was increased to ₹ 8.50 million divided into 850,000 Equity Shares pursuant to a resolution of our Shareholders passed on July 18, 2005.

5. The authorised share capital of ₹ 8.50 million divided into 850,000 Equity Shares was increased to ₹ 10 million divided into 1,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on February 28, 2006.

6. The authorised share capital of ₹ 10 million divided into 1,000,000 Equity Shares was increased to ₹ 30 million divided into 3,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on March 24, 2007.

7. The authorised share capital of ₹ 30 million divided into 3,000,000 Equity Shares was increased to ₹ 50 million divided into 5,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on November 13, 2007.

8. The authorised share capital of ₹ 50 million divided into 5,000,000 Equity Shares was increased to ₹ 110 million divided into 11,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on August 5, 2008.

9. The authorised share capital of ₹ 110 million divided into 11,000,000 Equity Shares was reclassified into 9,500,000 Equity Shares of ₹ 10 per share and 1,000,000 preference shares of ₹ 15 per share pursuant to a resolution of our Shareholders passed on November 19, 2009.

10. The authorised share capital of ₹ 110 million divided into 9,500,000 Equity Shares and 1,000,000 preference shares was increased to ₹ 250 million divided into 10,000,000 Equity Shares and 10,000,000 preference shares pursuant to a resolution of our Shareholders passed on November 19, 2009.

11. The authorised share capital of ₹ 250 million divided into 10,000,000 Equity Shares and 10,000,000 preference shares was increased to ₹ 260 million divided into 11,000,000 Equity Shares and 10,000,000 preference shares pursuant to a resolution of our Shareholders passed on January 18, 2011.

12. The authorised share capital of ₹ 260 million divided into 11,000,000 Equity Shares and 10,000,000 preference shares was reclassified into 26,000,000 Equity Shares pursuant to a resolution of our Shareholders passed on March 12, 2011.

Notes to Capital Structure:

1. Share capital history of our Company

(a) Equity share capital history

Date of allotment of the Equity Shares	No. of Equity Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative number of Equity Shares	Cumulative issued and paid up capital	Cumulative share premium (₹)
July 23, 1999	1,000	10	10	Cash	Subscription to memorandum*	1,000	10,000	Nil
December 31, 1999	150,000	10	10	Cash	Allotment of Equity Shares(1)	151,000	1,510,000	Nil
March 6, 2000	5,000	10	10	Cash	Allotment of Equity Shares(2)	156,000	1,560,000	Nil
July 29, 2000	45,000	10	10	Cash	Allotment of Equity Shares(3)	201,000	2,010,000	Nil
March 16, 2001	55,000	10	10	Cash	Allotment of Equity Shares(4)	256,000	2,560,000	Nil
December	94,000	10	10	Cash	Allotment of	350,000	3,500,000	Nil

Date of allotment of the Equity Shares	**No. of Equity Shares**	**Face value (₹)**	**Issue price (₹)**	**Nature of consideration**	**Reasons for allotment**	**Cumulative number of Equity Shares**	**Cumulative issued and paid up capital**	**Cumulative share premium (₹)**
20, 2001					Equity Shares(5)			
September 25, 2002	150,000	10	10	Cash	Allotment of Equity Shares(6)	500,000	5,000,000	Nil
March 27, 2003	100,000	10	10	Cash	Allotment of Equity Shares(7)	600,000	6,000,000	Nil
February 17, 2004	50,000	10	10	Cash	Allotment of Equity Shares(8)	650,000	6,500,000	Nil
June 1, 2004	100,000	10	10	Cash	Allotment of Equity Shares(9)	750,000	7,500,000	Nil
July 18, 2005	100,000	10	10	Cash	Allotment of Equity Shares(10)	850,000	8,500,000	Nil
March 29, 2006	150,000	10	10	Cash	Allotment of Equity Shares(11)	1,000,000	10,000,000	Nil
March 31, 2007	2,000,000	10	Nil	Other than cash	Bonus issue of Equity Shares in the ratio of 1:2(12)	3,000,000	30,000,000	Nil
March 31, 2008	2,000,000	10	10	Cash	Preferential allotment(13)	5,000,000	50,000,000	Nil
August 13, 2008	1,000,000	10	10	Cash	Preferential allotment(14)	6,000,000	60,000,000	Nil
September 29, 2008	3,000,000	10	Nil	Other than cash	Bonus issue of shares in the ratio of 2:1(15)	9,000,000	90,000,000	Nil
November 27, 2009	100	10	10	Cash	Preferential allotment(16)	9,000,100	90,001,000	Nil
January 18, 2011	1,752,664	10	142.64	Cash	Conversion of compulsorily convertible preference shares to Equity Shares(17)	10,752,764	107,527,640	232,473,360
November 26, 2013	187,500	10	200	Cash	Conversion of compulsorily convertible debentures to Equity Shares (18)	10,940,264	109,402,640	268,098,360
June 26, 2014	1,080,000	10	Nil	Other than cash	Bonus issue of Equity Shares in the ratio of 10:1.2(19)	12,020,264	120,202,640	268,098,360
July 16, 2014	562,500	10	200	Cash	Conversion of compulsorily convertible debentures to Equity Shares (20)	12,582,764	125,827,640	374,973,360
TOTAL	**12,582,764**							

* *900 Equity Shares subscribed by S. Kishore Babu and 100 Equity Shares subscribed by G. Srinivasulu.*

(1) Allotment of 30,000 Equity Shares to S. Kishore Babu, 5,000 Equity Shares to G. Srinivasulu, 35,000 Equity Shares to S. Kishore Babu (HUF), 35,000 Equity Shares to S. Lakshmi, 500 Equity Shares to K. Sambasiva Rao, 500 Equity Shares to K. Subhasini, 500 Equity Shares to K. Ajay Kumar, 500 Equity Shares to K. Pitchaiah, 500 Equity Shares to S. Siva Rama Krishna, 500 Equity Shares to S. Vijaya Lakshmi, 500 Equity Shares to Sai Mallewara Rao, 500 Equity Shares to G. Saya Devi, 500 Equity Shares to G. Babu, 500 Equity Shares to G. Sekhar, 5000 Equity Shares to G. Sridevi, 10,000 Equity Shares to A.R.N. Rao, 3,000 Equity Shares to A. Vijaya Lakshmi, 2,000 Equity Shares to A. Lakshman Rao, 5,000 Equity Shares to K. Aboobacker, 5,000 Equity Shares to K. Mymoona Aboobacker, 5,000 Equity Shares to K.K.M. Koya and 5,000 Equity Shares to K.K. Mumtaz

(2) Allotment of 5,000 Equity Shares to Yeshwant Torar

(3) Allotment of 15,000 Equity Shares to S. Kishore Babu, 15,000 Equity Shares to S. Lakshmi, 4,500 Equity Shares to K. Ajay Kumar, 1,000 Equity Shares to K. Swati, 4,500 Equity Shares to G. Babu, 1,000 Equity Shares to G. Leela, 1,000 Equity Shares to G. Neelima, 1,000 Equity Shares to K. Ravi Kumar, 1,000 Equity Shares to K. Padmaja, 500 Equity Shares to V. Srinivasa Rao and 500 Equity Shares to V. Gowri Devi

(4) Allotment of 50,000 Equity Shares to S. Lakshmi and 5,000 Equity Shares to Manne Praveen

(5) Allotment of 15,000 Equity Shares to S. Kishore Babu, 15,000 Equity Shares to S. Kishore Babu (HUF), 50,000 Equity Shares to S. Rohit, 2,500 Equity Shares to G. Srinivasulu, 1,500 Equity Shares to G. Sridevi, 1,000 Equity Shares to K. Aboobacker, 1000 Equity Shares to KK. Mumtaz, 1,000 Equity Shares to K. Mymoona Aboobacker, 1,000 Equity Shares to K.K.M. Koya, 1,500 Equity Shares to A.R.N. Rao, 500 Equity Shares to A. Vijaya Lakshmi, 2,000 Equity Shares to K. Ajay Kumar and 2,000 Equity Shares to G. Babu

(6) Allotment of 4,100 Equity Shares to S. Kishore Babu, 30,000 Equity Shares to S. Kishore Babu (HUF), 35,000 Equity Shares to S.Lakshmi, 45,000 Equity Shares to S. Vignatha, 3,000 Equity Shares to K. Ajay Kumar, 4,500 Equity Shares to S. Siva Rama Krishna Prasad, 4,500 Equity Shares to S. Sai Malleswara Rao, 4,900 Equity Shares to G. Saya Devi, 3,000 Equity Shares to G. Babu, 1,000 Equity Shares to K. Swathi, 3,000 Equity Shares to G. Leela, 1,000 Equity Shares to K. Ravi Kumar, 500 Equity Shares to V. Srinivasa Rao, 500 Equity Shares to V. Gouri Devi, 5000 Equity Shares to Meka Veera Venkata Satyanarayana and 5,000 Equity Shares to Meka Krishna Kumari

(7) Allotment of 30,000 Equity Shares to S. Kishore Babu (HUF), 20,000 Equity Shares to S. Rohit and 50,000 Equity Shares to S. Lakshmi

(8) Allotment of 50,000 Equity Shares to S. Kishore Babu (HUF)

(9) Allotment of 100,000 Equity Shares to S. Kishore Babu

(10) Allotment of 100,000 Equity Shares to S. Kishore Babu

(11) Allotment of 50,000 Equity Shares to S. Kishore Babu (HUF) and 100,000 Equity Shares to S. Lakshmi

(12) Bonus issue in the ratio of 1:2, where two Equity Shares were issued for every Equity Share

(13) Preferential allotment of 1,350,000 Equity Shares to S. Kishore Babu, 450,000 Equity Shares to S. Lakshmi, 30,000 Equity Shares to S. Rohit and 170,000 Equity Shares to S. Kishore Babu (HUF)

(14) Preferential allotment of 694,700 Equity Shares to S. Rohit, 200,000 Equity Shares to S. Vignatha, 100,000 Equity Shares to S. Lakshmi, 1,500 Equity Shares to K. Nalini, 1,500 Equity Shares to K. Varun, 500 Equity Shares to P. Srinivasa Rao, 500 Equity Shares to D. S. Rao, 200 Equity Shares to T. Satish Kumar, 150 Equity Shares to Mohit Gurjar, 100 Equity Shares to Vikas Sirohiya, 200 Equity Shares to G. Sri Lakshmi and 650 Equity Shares to A.K. Khan

(15) Bonus issue in the ratio of 2:1, where one Equity Share was issued for every two Equity Shares

(16) Preferential allotment of 25 Equity Shares to India Business Excellence Fund and 75 Equity Shares to India Business Excellence Fund I

(17) Pursuant to a resolution dated January 18, 2011, 2,500,000 compulsorily convertible preference shares held by India Business Excellence Fund were converted to 438166 Equity Shares and 7,500,000 compulsorily convertible preference shares India Business Excellence Fund I were converted into 1,314,498 Equity Shares respectively at ₹ 142.64 each

(18) Pursuant to a resolution dated November 26, 2013, 375 compulsorily convertible debentures held by India Business Excellence Fund were converted to 187,500 Equity Shares at ₹ 200 each

(19) *Bonus issue in the ratio of 10:1.2, where 1.2 Equity Shares were issued for every 10 Equity Shares, however, pursuant to letters dated June 10, 2014, certain shareholders of our Company, namely, India Business Excellence Fund I and India Business Excellence Fund, have given their consent to the Equity Shares under the bonus issue being allotted to all other Shareholders except them. Accordingly, no Equity Shares were allotted to such shareholders of our Company under the bonus issue.*

(20) *Pursuant to a resolution dated July 16, 2014, 1125 compulsorily convertible debentures held by India Business Excellence Fund I were converted to 562,500 Equity Shares at ₹ 200 each*

(b) Preference share capital history

Date of allotment of the preference shares	No. of preference shares	Face value (₹)	Issue price (₹)	Nature of payment	Reasons for allotment	Cumulative number of Preference Shares	Cumulative issued capital (₹)	Cumulative share premium (₹)
November 27, 2009	10,000,000	15	25	Cash	Preferential allotment†	10,000,000	150,000,000	100,000,000

†*Preferential allotment of (i) 2,500,000 compulsorily convertible preference shares to India Business Excellence Fund; and (ii) 7,500,000 compulsorily convertible preference shares to India Business Excellence Fund I.*

As on the date of this Red Herring Prospectus, our Company does not have any outstanding preference shares.

(c) Issue of Equity Shares during the last one year

Our Company has not issued any Equity Shares in the last one year.

(d) Following are the details of Equity Shares allotted by our Company for consideration other than cash.

Date of allotment	No. of Equity Shares	Details of the issue
March 31, 2007	2,000,000	Bonus issue in the ratio of 1:2
September 29, 2008	3,000,000	Bonus issue in the ratio of 2:1
June 26, 2014	1,080,000	Bonus issue in the ratio of 10:1.2
TOTAL	**6,080,000**	

(e) Our Company has not issued any bonus shares out of capitalization of its revaluation reserves.

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

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

Set forth below is the build up of the shareholding of our Promoters since incorporation of our Company:

S. KISHORE BABU							
Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ Acquisition Price (₹)**	**Nature of Consideration**	**Nature of Transaction**	**Percentage of the pre-issue capital (%)**	**Percentage of the post-issue capital (%)**
July 23, 1999	900	10	10	Cash	Subscription to Memorandum	Negligible	Negligible
December 31, 1999	30,000	10	10	Cash	Allotment	0.24	0.20
July 29, 2000	15,000	10	10	Cash	Allotment	0.12	0.10
December 20, 2001	15,000	10	10	Cash	Allotment	0.12	0.10
September 25, 2002	4,100	10	10	Cash	Allotment	0.03	0.03
June 1, 2004	100,000	10	10	Cash	Allotment	0.79	0.68
October 11, 2004	(100)	10	10	Cash	Transfer to Dilip Kumar	Negligible	Negligible
October 11, 2004	(100)	10	10	Cash	Transfer to Babulal	Negligible	Negligible
October 11, 2004	(100)	10	10	Cash	Transfer to Praveen Kumar	Negligible	Negligible
October 11, 2004	(100)	10	10	Cash	Transfer to Shantilal Jain	Negligible	Negligible
July 18, 2005	100,000	10	10	Cash	Allotment	0.79	0.68
August 12, 2005	(100)	10	10	Cash	Transfer to P.K. Jain	Negligible	Negligible
March 31, 2007	529,000	10	Nil	Other than cash	Issue of bonus shares	4.20	3.60
March 31, 2008	1,350,000	10	10	Cash	Preferential allotment	10.73	9.18
September 29, 2008	1,071,750	10	Nil	Other than cash	Issue of bonus shares	8.52	7.29
June 26, 2014	385,830	10	Nil	Other than cash	Issue of bonus shares	3.07	2.62

S. KISHORE BABU							
Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ Acquisition Price (₹)**	**Nature of Consideration**	**Nature of Transaction**	**Percentage of the pre-issue capital (%)**	**Percentage of the post-issue capital (%)**
TOTAL	**3,601,080**					**28.62**	**24.48**

S. KISHORE BABU (HUF)							
Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ Acquisition Price (₹)**	**Nature of Consideration**	**Nature of Transaction**	**Percentage of the pre-issue capital (%)**	**Percentage of the post-issue capital (%)**
December 31, 1999	35,000	10	10	Cash	Allotment	0.28	0.24
December 20, 2001	15,000	10	10	Cash	Allotment	0.12	0.10
September 25, 2002	30,000	10	10	Cash	Allotment	0.24	0.20
March 27, 2003	30,000	10	10	Cash	Allotment	0.24	0.20
February 17, 2004	50,000	10	10	Cash	Allotment	0.40	0.34
March 29, 2006	50,000	10	10	Cash	Allotment	0.40	0.34
March 31, 2007	420,000	10	Nil	Other than cash	Issue of bonus shares	3.34	2.86
March 31, 2008	170,000	10	10	Cash	Preferential allotment	1.35	1.16
September 29, 2008	400,000	10	Nil	Other than cash	Issue of bonus shares	3.18	2.72
June 26, 2014	144,000	10	Nil	Other than cash	Issue of bonus shares	1.14	0.98
TOTAL	**1,344,000**					**10.68**	**9.14**

S. LAKSHMI							
Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ Acquisition Price (₹)**	**Nature of Consideration**	**Nature of Transaction**	**Percentage of the pre-issue capital (%)**	**Percentage of the post-issue capital (%)**
December 31, 1999	35,000	10	10	Cash	Allotment	0.28	0.24
July 29, 2000	15,000	10	10	Cash	Allotment	0.12	0.10
March 16, 2001	50,000	10	10	Cash	Allotment	0.40	0.34
September 25, 2002	35,000	10	10	Cash	Allotment	0.28	0.24
March 27, 2003	50,000	10	10	Cash	Allotment	0.40	0.34
March 29, 2006	100,000	10	10	Cash	Allotment	0.79	0.68
March 31, 2007	570,000	10	Nil	Other than cash	Issue of bonus shares	4.53	3.88
February 05, 2008	10,000	10	10	Cash	Transfer from Yeshwant Torar	0.08	0.07
February 26, 2008	500	10	10	Cash	Transfer from G. Saya Devi	Negligible	Negligible
February 26, 2008	4,900	10	10	Cash	Transfer from G. Saya Devi	0.04	0.03
February 26, 2008	10,800	10	10	Cash	Transfer from G. Saya Devi	0.09	0.07
February 26, 2008	500	10	10	Cash	Transfer from S. Sai Malleswarao	Negligible	Negligible
February 26, 2008	1,000	10	10	Cash	Transfer from S. Sai Malleswarao	Negligible	Negligible
February 26, 2008	(100)	10	10	Cash	Transfer to Motilalsavita	Negligible	Negligible
February 26, 2008	(100)	10	10	Cash	Transfer to Sajith Kumar	Negligible	Negligible
February 26, 2008	(100)	10	10	Cash	Transfer to Yashodharan	Negligible	Negligible
February 26, 2008	(2,000)	10	10	Cash	Transfer to Vallabhaneni Sireesha	Negligible	Negligible
February 26, 2008	(500)	10	10	Cash	Transfer to Koyi Uma	Negligible	Negligible
February 26, 2008	(500)	10	10	Cash	Transfer to Koyi Srinivasa Rao	Negligible	Negligible
February 26, 2008	(250)	10	10	Cash	Transfer to B. Koteswara Rao	Negligible	Negligible
February 26, 2008	(250)	10	10	Cash	Transfer to K. Lakshmi Prasanna	Negligible	Negligible
March 31, 2008	450,000	10	10	Cash	Preferential allotment	3.58	3.06
August 13, 2008	100,000	10	10	Cash	Preferential allotment	0.80	0.68
September 29, 2008	714,450	10	Nil	Other than cash	Issue of bonus shares	5.68	4.86
June 26, 2014	257,202	10	Nil	Other than cash	Issue of bonus shares	2.04	1.75
TOTAL	**2,400,552**					**19.08**	**16.32**

S. ROHIT							
Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ Acquisition Price (₹)**	**Nature of Consideration**	**Nature of Transaction**	**Percentage of the pre-issue capital (%)**	**Percentage of the post-issue capital (%)**
December 20, 2001	50,000	10	10	Cash	Allotment	0.40	0.34
March 27, 2003	20,000	10	10	Cash	Allotment	0.16	0.14
March 31, 2007	140,000	10	Nil	Other than cash	Issue of bonus shares	1.11	0.95
March 31, 2008	30,000	10	10	Cash	Preferential allotment	0.24	0.20
August 13, 2008	694,700	10	10	Cash	Preferential allotment	5.52	4.72
September 29, 2008	467,350	10	Nil	Other than cash	Issue of bonus shares	3.71	3.18
June 26, 2014	1,68,246	10	Nil	Other than cash	Issue of bonus shares	1,34	1.14
TOTAL	**1,570,296**					**12.48**	**10.67**

S. VIGNATHA							
Date of Allotment / Transfer	**No. of Equity Shares**	**Face Value (₹)**	**Issue/ Acquisition Price (₹)**	**Nature of Consideration**	**Nature of Transaction**	**Percentage of the pre-issue capital (%)**	**Percentage of the post-issue capital (%)**
September 25, 2002	45,000	10	10	Cash	Allotment	0.36	0.31
March 31, 2007	90,000	10	Nil	Other than cash	Issue of bonus shares	0.72	0.61
August 13, 2008	200,000	10	10	Cash	Preferential allotment	1.59	1.36
September 29, 2008	167,500	10	Nil	Other than cash	Issue of bonus shares	1.33	1.14
June 26, 2014	60,300	10	Nil	Other than cash	Issue of bonus shares	0.48	0.41
TOTAL	**562,800**					**4.47**	**3.83**

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by the Promoters are pledged.

(b) *Following is the shareholding of our Promoters and Promoter Group –*

S. No.	Name of Person	Promoter/ Promoter Group	No. of Equity Shares	Percentage of the pre-issue capital	Percentage of the post-issue capital
1.	S. Kishore Babu	Promoter	3,601,080	28.62	24.48
2.	S. Lakshmi	Promoter	2,400,552	19.08	16.32
3.	S. Rohit	Promoter	1,570,296	12.48	10.67
4.	S. Vignatha	Promoter	562,800	4.47	3.83
5.	S. Kishore Babu (HUF)	Promoter	1,344,000	10.68	9.14
6.	Gogineni Babu	Promoter Group	24,640	0.20	0.17
7.	Sajja Sivarama Krishna	Promoter Group	4,480	0.04	0.03
8.	Sajja Sai Malleswara Rao	Promoter Group	2,380	0.02	0.02
9.	Kantheti Subhasini	Promoter Group	2,520	0.02	0.02
10.	Koyi Uma Devi	Promoter Group	5,600	0.04	0.04
11.	Gogineni Sekhar Babu	Promoter Group	3,360	0.03	0.02
12.	Vallabhaneni Sireesha	Promoter Group	3,360	0.03	0.02
13.	Sajja Satyavathi	Promoter Group	Nil	N.A.	N.A.
14.	Sri Siddhartha Nekkanti	Promoter Group	Nil	N.A.	N.A.
15.	Srinivasa Rao Nekkanti	Promoter Group	Nil	N.A.	N.A.
16.	Rama Devi Nekkanti	Promoter Group	Nil	N.A.	N.A.
17.	Sravan Kumar Nekkanti	Promoter Group	Nil	N.A.	N.A.
TOTAL			**9,525,068**	**75.70**	**64.75**

(c) *Details of Promoters contribution and lock-in*

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment ("**Promoters' Contribution**").

All Equity Shares, which are being locked-in are not ineligible for computation of Promoters' contribution under Regulation 33 of the SEBI ICDR Regulations.

The lock-in of the Promoters' Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

Our Promoters have, pursuant to letters dated October 19, 2014, given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20.00% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing the Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Date of allotment/ transfer*	**Nature of transaction**	**Nature of consideration**	**No. of Equity Shares**	**Face value (₹)**	**Issue Price/Purchase Price (₹)**	**Percentage of fully diluted post-Issue paid-up capital**	**Sources of funds**
S. Kishore Babu							
June 1, 2004	Allotment	Cash	21,100	10	10	0.14	Owned funds and borrowed funds(1)
July 18, 2005	Allotment	Cash	100,000	10	10	0.68	Owned funds and borrowed funds(2)
March 31, 2008	Preferential allotment	Cash	1,350,000	10	10	9.18	Owned funds and borrowed funds(3)
TOTAL			**1,471,100**			**10.00**	
S. Lakshmi							
March 31, 2007	Issue of bonus shares	Other than cash	206,650	10	Nil	1.40	Bonus issue
March 31, 2008	Preferential allotment	Cash	450,000	10	10	3.06	Owned funds and borrowed funds(4)
August 13, 2008	Preferential allotment	Cash	100,000	10	10	0.68	Borrowed funds(5)
September 29, 2008	Issue of bonus shares	Other than cash	714,450	10	Nil	4.86	Bonus issue
TOTAL			**1,471,100**			**10.00**	
GRAND TOTAL			**2,942,200**			**20.00**	

[*]Equity Shares were fully paid up on the date of allotment.

(1) *Unsecured loan of ₹ 0.10 million from K. Samba Siva Rao residing at 7-12-8/6, Mandavavari Street, Near Vinayaka Temple, Repalle, Guntur district 522 265, Andhra Pradesh and ₹ 0.09 million from S .Lakshmi residing at 60-22-4/13/1,opposite Nalanda College Road, Gayatri Nagar,Vijayawada 520 008,Andhra Pradesh, India .*

(2) *Unsecured loan ₹ 0.60 million from K.Sai Malleswara Rao residing at 7-11-108/1, Kisan Nagar, Rapalle Guntur, district 522 265, Andhra Pradesh and ₹ 0.11 million from Citi Bank Card Centre, P.O.Box 4830, Anna Salai, P.P. Chennai 600 002 and secured loan of against overdraft of ₹ 0.27 million from Life Insurance Corporation of India, Career Agents Branch, Dr. Ramachandra Rao Street, Post Box no 326, Governorpet, Vijayawada 520 002, Andhra Pradesh.*

(3) *Unsecured loans of ₹ 1.00 million from A.K. Engineers, WA-43, first floor, Shakarpur, New Delhi 110 092; ₹ 2.00 million from G.M. Engineering Constructions, MIG 1/107 Maharana Pratap Nagar, Korba 462 011, Jharkhand;₹ 1.00 million from Precision Engineering, Jamnapalli, Korba 495 450, Chattisgarh; ₹ 2.00 million from Rehana Constructions, Near Prince Bakery, Main Road, Darri, Korba 495 450, Chattisgarh; ₹ 2.50 million from Sri Venkateswara Technographs, Flat no. 502, Swarna Enclave, Opposite Siddhartha Medical College, Sriramchandra Nagar, Vijayawada 520 008, Andhra Pradesh; ₹ 3.50 million from Kotak Mahindra Bank Limited, Door no. 40-1-48/1, Opposite Sweet Mazic, Labbipet, Vijayawada 520 010, Andhra Pradesh and ₹ 1.00 million from HDFC Bank Limited, 101-104 Tuulsant Chambers, Free Press Journal Marg, Nariman Point, Mumbai 400 021, Maharashtra.*

(4 Unsecured loan of ₹ 2.00 million from G.M. Engineering Constructions, MIG 1/107 Maharana Pratap Nagar, Korba 462 011, Jharkhand; ₹ 1.00 million from K. Pitchaiah Constructions, Mantri Palam (Post), Nagaram (Mandal), Guntur district 522 262, Andhra Pradesh; ₹ 0.50 million from Nikky Enterprises, Nawadlh, Parsabad, Koderama, Jharkhand.

(5) Unsecured loan of ₹ 1.00 million Rehana Constructions, Near Prince Bakery, Main Road, Darri, Korba 495 450, Chattisgarh.

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 33 of the SEBI ICDR Regulations. In this computation, as per Regulation 33 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

(i) The Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares which are otherwise ineligible for computation of Promoters' Contribution;
(ii) The Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
(iii) The Equity Shares issued to the Promoters upon conversion of a partnership firm; and
(iv) The Equity Shares held by the Promoters that are subject to any pledge.

Our Company further confirms that such Equity Shares shall be held in dematerialised form prior to the filing of this Red Herring Prospectus with the RoC and that these Equity Shares do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of their subscription in the Promoters contribution subject to lock-in. For such time that the Equity Shares under the Promoters' Contribution are locked in as per the SEBI ICDR Regulations, the Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue and pledge of such Equity Shares is one of the terms of sanction of loan. For such time that they are locked in as per the SEBI ICDR Regulations, the Equity Shares held by the Promoters in excess of the Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions if the pledge of the Equity Shares is one of the terms of the sanction of the loan. For details regarding the objects of the Issue, see the section titled "*Objects of the Issue*" beginning on Page 102.

The Equity Shares held by our Promoters may be transferred to and among the Promoters, members of 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 SEBI Takeover Regulations, as applicable.

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

In addition to the 20.00% of the fully diluted post-Issue shareholding of our Company held by our Promoters and locked in for three years as specified above, the entire pre-Issue equity share capital of our Company, except the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale and shares held by VCFs, will be locked-in for a period of one year from the date of Allotment. Additionally, any unsubscribed portion of the Offer for Sale being offered by the Selling Shareholders would also be locked-in for one year from the date of Allotment.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment may be transferred to any other person holding the 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 SEBI Takeover Regulations.

Lock-in of Equity Shares Allotted to Anchor Investors

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

3. **Details of the share capital held by the Selling Shareholders in our Company**

The details of the shareholding of the Selling Shareholders in our Company is set forth below:

Date of transaction	Nature of transaction	Number of shares	Face value (₹)	Issue price per share (₹)	Nature of consideration
INDIA BUSINESS EXCELLENCE FUND I					
November 27, 2009	Preferential allotment of 75 Equity Shares to India Business Excellence Fund I	75	10	10	Cash
January 18, 2011	Compulsorily convertible preference shares held by India Business Excellence Fund I were converted into 1,314,498 Equity Shares	1,314,498	10	142.64	Cash
July 16, 2014	Compulsorily convertible debentures held by India Business Excellence Fund I were converted to 562,500 Equity Shares	562,500	10	200	Cash
TOTAL		**1,877,073**			
INDIA BUSINESS EXCELLENCE FUND					
November 27, 2009	Preferential allotment of 25 Equity Shares to India Business Excellence Fund	25	10	10	Cash
January 18, 2011	Compulsorily convertible preference shares held by India Business Excellence Fund were converted to 438,166 Equity Shares	438,166	10	142.64	Cash
November 26, 2013	Compulsorily convertible debentures held by India Business Excellence Fund were converted to 187,500 Equity Shares	187,500	10	200	Cash
TOTAL		**625,691**			
P. SRINIVASA RAO					
August 13, 2008	Preferential allotment of 500 Equity Shares to P. Srinivasa Rao	500	10	10	Cash
September 29, 2008	Issue of bonus shares in the ratio of 2:1 to P. Srinivasa Rao	250	10	Nil	Other than cash
February 11, 2010	Transfer of 10,500 Equity Shares to P. Srinivasa Rao from D. Aakashnag, represented by his guardian, D.S. Rao	10,500	10	10	Cash
June 26, 2014	Issue of bonus shares in the ratio of 10:1.2 to P. Srinivasa Rao	1,350	10	Nil	Other than cash
TOTAL		**12,600**			
D. AAKASHNAG					
September 2, 2009	Transfer of 21,000 Equity Shares from R. Rama Krishna to D. Aakashnag, represented by his guardian, D.S. Rao	21,000	10	10	Cash
February 11, 2010	Transfer of 10,500 Equity by D. Aakashnag, , represented by his guardian, D.S. Rao, to P. Srinivasa Rao	(10,500)	10	10	Cash
June 26, 2014	Issue of bonus shares in the ratio of 10:1.2 to D. Aakashnag, represented by his guardian, D.S. Rao	1,260	10	Nil	Other than cash
TOTAL		**11,760**			
GRAND TOTAL		**2,527,124**			

Sale, purchase or subscription of our Company's securities by our Promoter, Promoter Group and our Directors within three years immediately preceding the date of this Red Herring Prospectus, which in aggregate is equal to or greater than 1% of the pre-Issue capital of our Company.

There has been no sale, purchase or subscription of our Company's securities by our Promoter, Promoter Group and our Directors within three years immediately preceding the date of this Red Herring Prospectus, which in aggregate is equal to or greater than 1.00% of the pre-Issue capital of our Company.

4. Shareholding pattern of our Company

The table below presents the shareholding pattern of our Company before the proposed Issue as on the date of filing of this Red Herring Prospectus and as adjusted for the Issue:

Category code (I)	Category of Shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Share Pledged or otherwise encumbered		Post Issue		Shares Pledged or otherwise encumbered (post-Issue)	
	(II)	(III)	(IV)	(V)	As a % of (A+B) (VI)	As a % of (A+B+C) (VII)	Number of Shares*	As a % of (A+B+C)*	Number of Shares*	As a % of (A+B+C)*	Number of shares	As a percentage
(A)	**Shareholding of Promoter and Promoter Group**											
(1)	**Indian**											
(a)	Individuals/ Hindu Undivided Family	12	9,525,068	9,525,068	75.70	75.70	0	0.00	9,525,068	64.75	0	0.00
(b)	Central Government / State Government (s)	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
Sub-Total (A)(1)		**12**	**9,525,068**	**9,525,068**	**75.70**	**75.70**	**0**	**0.00**	**9,525,068**	**64.75**	**0**	**0.00**
(2)	**Foreign**											
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
(e)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00
Sub-Total (A)(2)		**0**	**0**	**0**	**0.00**	**0.00**	0	0.00	0	0.00	0	0.00
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)		**12**	**9,525,068**	**9,525,068**	**75.70**	**75.70**	**0**	**0.00**	**9,525,068**	**64.75**	**0**	**0.00**
(B)	**Public Shareholding**											
(1)	**Institutions**											
(a)	Mutual Funds / UTI	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(c)	Central Government / State Government (s)	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(d)	Venture Capital Funds	1	625,691	625,691	4.97	4.97	0	0.00	-	-	-	-
(e)	Insurance	0	0	0	0.00	0.00	0	0.00	-	-	-	-

Cate gory code (I)	Category of Shareholder	Number of sharehol ders	Total number of shares	Number of shares held in demateri alized form	Total shareholding as a percentage of total number of shares		Share Pledged or otherwise encumbered		Post Issue		Shares Pledged or otherwise encumbered (post-Issue)	
	(II)	(III)	(IV)	(V)	As a % of (A+B) (VI)	As a % of (A+B+C) (VII)	Number of Shares*	As a % of (A+B+C)*	Number of Shares*	As a % of (A+B+C)*	Number of shares	As a percentage
	Companies											
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(i)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00	-	-	-	-
Sub-Total (B)(1)		**1**	**625,691**	**625,691**	**4.97**	**4.97**	0	0.00	-	-	-	-
(2)	**Non-institutions**											
(a)	Bodies Corporate	1	1,877,073	1,877,073	14.92	14.92	0	0.00	-	-	-	-
(b)	Individuals - (i) Individual shareholders holding nominal	549	270,931	840	2.15	2.15	0	0.00	-	-	-	-
	Share capital up to ₹ 1 lakh.								-	-	-	-
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	10	284,001	24,360	2.26	2.26	0	0.00	-	-	-	-
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00	-	-	-	-
(d)	Any Other (specify)								-	-	-	-
	- Clearing members	0	0	0	0.00	0.00	0	0.00	-	-	-	-
	Sub-Total (B)(2)	**560**	**2,432,005**	**1,902,273**	**19.33**	**19.33**	0	0.00	-	-	-	-
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**561**	**3,057,696**	**2,527,964**	**24.30**	**24.30**	0	**0**	-	-	-	-
	TOTAL (A)+(B)	**573**	**12,582,764**	**12,053,032**	**100.00**	**100.00**	**0**	**0.00**	**14,710,764**	**100.00**	**0**	**0.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**											
(1)	**Promoter and Promoter Group**	**0**	**0**	**0**	0.00	**0.00**	0	0.00	-	-	-	-
(2)	**Public**	**0**	**0**	**0**	0.00	**0.00**	0	0.00	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**573**	**12,582,764**	**12,053,032**	**100.00**	**100.00**	0	0.00	**14,710,764**	**100.00**	-	-

**Based on the assumption that such shareholders shall continue to hold the same number of Equity Shares after this Issue. This does not include any Equity Shares that such shareholders (excluding Promoters and Promoter Group) may Bid for and be Allotted.*

Our Company will file the shareholding pattern, in the form prescribed under clause 35 of the Listing Agreements, one day prior to the listing of Equity Shares. The shareholding pattern will be provided to the Stock Exchanges for uploading on the website of Stock Exchanges before commencement of trading of such Equity Shares.

5. Public shareholders holding more than 1% of the pre-Issue paid-up capital of our Company

The details of the public shareholders holding more than 1.00% of the pre-Issue paid-up capital of our Company and their pre-Issue and post-Issue shareholding are set forth in the table below:

S. No.	Name of the Shareholder	Pre-Issue		Post-Issue	
		Number of Equity Shares held	Percentage (%)	Number of Equity Shares held	Percentage (%)
1.	India Business Excellence Fund I	1,877,073	14.92	187,773	1.28
2.	India Business Excellence Fund	625,691	4.97	186,991	1.27
TOTAL		**2,502,764**	**19.89**	**374,764**	**2.55**

6. **Equity Shares held by top ten shareholders**

The list of top (ten) 10 shareholders of our Company and the number of Equity Shares held by them:

(a) As on the date of filing of this Red Herring Prospectus are as follows:

S. No.	Name	Number of Equity Shares	Percentage of Equity Share capital (%)
1.	S. Kishore Babu	3,601,080	28.62
2.	S. Lakshmi	2,400,552	19.08
3.	India Business Excellence Fund I	1,877,073	14.92
4.	S. Rohit	1,570,296	12.48
5.	S. Kishore Babu (HUF)	1,344,000	10.68
6.	India Business Excellence Fund	625,691	4.97
7.	S. Vignatha	562,800	4.47
8.	T. Venkata Rao	61,793	0.49
9.	K. Pitchaiah	52,752	0.42
10.	R. Rama Krishna	41,440	0.33
TOTAL		**12,137,477**	**96.46**

(b) As of ten (10) days prior to the date of filing of this Red Herring Prospectus with SEBI were as follows:

S. No.	Name	Number of Equity Shares	Percentage of Equity Share capital (%)
1.	S. Kishore Babu	3,601,080	28.62
2.	S. Lakshmi	2,400,552	19.08
3.	India Business Excellence Fund I	1,877,073	14.92
4.	S. Rohit	1,570,296	12.48
5.	S. Kishore Babu (HUF)	1,344,000	10.68
6.	India Business Excellence Fund	625,691	4.97
7.	S.Vignatha	562,800	4.47
8.	T. Venkata Rao	61,793	0.49
9.	K. Pitchaiah	52,752	0.42
10.	R. Rama Krishna	41,440	0.33
TOTAL		**12,137,477**	**96.46**

(c) Two (2) years prior to the date of filing this Red Herring Prospectus with SEBI were as follows:

S. No.	Name	Number of Equity Shares	Percentage of Equity Share Capital
1.	S. Kishore Babu	3,215,250	29.90
2.	S. Lakshmi	2,143,350	19.93
3.	S. Rohit	1,402,050	13.04
4.	India Business Excellence Fund I	1,314,573	12.23
5.	S. Kishore Babu (HUF)	1,200,000	11.16
6.	S. Vignatha	502,500	4.67
7.	India Business Excellence Fund	438,191	4.08
8.	K. Pitchaiah	47,100	0.44
9.	K. Ajay Kumar	45,000	0.42
10.	G. Babu	45,000	0.42
TOTAL		**10,353,014**	**96.29**

7. Details of purchase or sale of Equity Shares by our Promoters, Promoter Group and our Directors

There has been no purchase or sale of Equity Shares by Promoters, Promoter Group, or Directors and their immediate relatives during the six months period immediately preceding the date on which the Draft Red Herring Prospectus was filed with SEBI.

8. Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoter companies

The table below sets forth the details of Equity Shares that our held by the Directors and Key Management Personnel of our Company:

S. No.	Name of the person	Director/ Key Management Personnel	No. of Equity Shares	Percentage of Equity Share Capital (%)
1.	S. Kishore Babu	Director and Key Management Personnel	3,601,080	28.62
2.	S. Lakshmi	Director	2,400,552	19.08
3.	M. Rajendran	Director and Key Management Personnel	3,528	0.03
4.	T. Sankaralingam	Director	Nil	N.A.
5.	Amitabha Guha	Director	Nil	N.A.
6.	M.L. Sah	Director	500	Negligible
7.	G.D.V. Prasada Rao	Director	1,120	0.01
8.	Rakesh Sony	Director	Nil	N.A.
9.	J. Satish	Key Management Personnel	1,000	0.01
10.	Mohit Gurjar	Key Management Personnel	692	Negligible
11.	V. K. Chaudhari	Key Management Personnel	1,008	0.01
12.	K. Ajay Kumar	Key Management Personnel	24,640	0.20
13.	M. Ramesh	Key Management Personnel	500	Negligible
14.	R. Murali Krishna	Key Management Personnel	2,503	0.02
15.	S. K. Kodandaramaiah	Key Management Personnel	Nil	N.A.
16.	T. Rama Rao	Key Management Personnel	1,792	0.01
17.	S. V. Nageswara Rao	Key Management Personnel	2,240	0.02
18.	G. Srinivasulu	Key Management Personnel	23,296	0.19
19.	S. Rohit	Key Management Personnel	1,570,296	12.48
20.	Shishir Kumar Kudasbehar	Key Management Personnel	812	Negligible
21.	M.V.V.S. Chowdary	Key Management Personnel	2,800	0.02
22.	R. Umakanth	Key Management Personnel	Nil	N.A.
23.	Jasbir Singh Arora	Key Management Personnel	Nil	N.A.
24.	Sanjay Bhattacharya	Key Management Personnel	Nil	N.A.

This disclosure is made in accordance with Schedule VIII - Part A of the SEBI ICDR Regulations.

Our Company does not have an employee stock option plan.

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

10. There are no financing arrangements whereby the Promoters, the Promoter Group, the directors of the Issuer or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing the DRHP with SEBI.

11. Neither our Company, our Promoters, Directors nor the BRLMs have entered into any buy-back, safety net and/or standby arrangements for the purchase of Equity Shares from any person.

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

13. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue, conversion of convertible instruments or in any other manner during the period commencing from submission of this Red Herring Prospectus with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed on the Stock Exchanges.

14. This Issue is being made for at least 25.00% of the fully diluted post-Issue capital, pursuant to Rule 19(2)(b)(i) of SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein 50.00% of the Issue shall be available for allocation to QIBs on a proportionate basis. Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the QIB Portion. Such number of Equity Shares representing 5.00% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, such that subject to availability of Equity Shares, each Retail Individual Bidder shall be allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

    Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

15. Over-subscription to the extent of 10.00% of the Issue can be retained for the purpose of rounding off while finalising the Basis of Allotment.

16. A Bidder cannot make a Bid for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

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

18. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. Additionally, if our Company enters into acquisitions or joint ventures, we may, subject to necessary approvals, consider using our Equity Shares as currency for acquisitions or participation in such joint ventures we may enter into and/or we may raise additional capital to fund accelerated growth.

19. There will be only one denomination of Equity Shares unless otherwise permitted by law and our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

20. Our Company, Directors, Promoters or Promoter Group shall not make any payments direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Red Herring Prospectus.

21. For details of our related party transactions, see the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively.

22. The Company has 573 Shareholders as of the date of this Red Herring Prospectus.

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

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

25. The BRLMs or their associates do not hold any Equity Shares as on the date of filing of this Red Herring Prospectus. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation. However, India Business Excellence Fund, one of the Selling Shareholders in this Issue, along with Motilal Oswal Investment Advisors Private Limited is jointly controlled. Accordingly, in compliance with proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue.

26. No person connected with the Issue, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Promoters, members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

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

28. As on the date of this Red Herring Prospectus, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares.

29. Our Company has agreed that it will not without the prior written consent of the BRLMs, during the period starting from the date of the Offer Agreement and ending 180 days after the date of the Prospectus, (i) issue, offer, lend, pledge, encumber, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of our Company or any securities convertible into or exercisable as or exchangeable for the Equity Shares; or (iii) publicly announce any intention to enter into any transaction described in (i) or (ii) above; whether any such transaction described in (i) or (ii) above is to be settled by delivery of Equity Shares or such other securities, in cash or otherwise; or (iv) indulge in any publicity activities prohibited under the SEBI ICDR Regulations or the publicity guidelines as provided by the domestic and international legal counsel, during the period in which it is prohibited under each such laws.

30. None of our Promoters, the members of our Promoter Group, our Directors, or their immediate relatives have purchased or sold any securities of our Company, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.

31. None of the Equity Shares held by the members of our Promoter Group are pledged or otherwise encumbered.

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue and an Offer for Sale.

The proceeds of the Offer for Sale

The funds from the Offer for Sale (net of Issue related expenses for the Selling Shareholders) shall be received by the Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale.

Objects of the Fresh Issue

The activities for which funds are being raised by our Company through the Fresh Issue after deducting the Issue related expenses for our Company are:

1. Funding working capital requirements of our Company; and
2. General Corporate Purposes

(collectively, the "**Objects**").

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

The main objects clause, as set out in the Memorandum of Association, enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue. The activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

Utilisation of the proceeds of the Fresh Issue

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

Particular	Estimated Amount* (₹ million)
Gross proceeds from the Fresh Issue	[●]
Less Issue related expenses of our Company*	[●]
Net Proceeds of the Fresh Issue after deducting the Issue related expenses of our Company ("**Net Proceeds**")*	[●]

* *Will be incorporated after finalization of the Issue Price. Upon the listing and trading of the Equity Shares in the Issue on the Stock Exchanges, all Issue related expenses shall be shared by the Company and the Selling Shareholders in proportion to the number of Equity Shares sold to the public in the Fresh Issue and the Offer for Sale, respectively.*

Means of Finance

The fund requirements described below are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Requirement of funds

The proposed utilization of Net Proceeds is set forth in the table below:

Particulars	Estimated Amount (In ₹ million)
Funding working capital requirements of our Company	1,050.00
General Corporate Purposes	[●]*

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

Deployment of Net Proceeds

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

Particulars	Fiscal 2016	Total
Funding working capital requirements of our Company	1,050.00	1,050.00
General Corporate Purposes*	[●]	[●]

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

Our funding requirements for the Objects and the deployment schedule of the Net Proceeds are based on internal management estimates, current conditions and are subject to change in light of external circumstances or changes in our financial condition, business or strategy and other external factors which may not be in our control. This may also entail rescheduling or revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in this Issue.

Details of the Objects of Fresh Issue

1. Funding working capital requirements of our Company

Working capital requirements

Our business is working capital intensive and we fund majority of our working capital requirements in the ordinary course of our business through working capital facilities/loans from banks/ various financial institutions, overdraft against fixed deposit receipts and from our internal accruals.

Our working capital financing arrangements as follows:

(*₹ in million*)

S. No.	Particulars	As on March 31, 2014		As on May 31, 2015	
		Sanctioned	Outstanding	Sanctioned	Outstanding
1.	Working capital facilities from banks	1,300.00	1,176.98	1,940.00	1,948.89(2)
2.	Other short term financing				
	a. Bank overdraft against fixed deposit receipts	117.30	119.72(1)	93.00	57.68(3)
	b. Receivable finance scheme from SIDBI	100.00	97.28	0.00	0.00
	Total	**1,517.30**	**1,393.99**	2,033.00	2,006.57

(1) The sanctioned amount for bank overdraft against fixed deposits as of March 31, 2014 was ₹ 117.30 million. This included overdraft limit with State Bank of India of ₹ 27.00 million and State Bank of Hyderabad of ₹ 90.30 million. The outstanding overdraft amount with State Bank of Hyderabad was ₹ 92.50 million as of March 31, 2014. The amount outstanding with State Bank of Hyderabad in excess of the sanctioned limit pertains to interest for the months of January 2014, February 2014 and March 2014 aggregating to an amount of ₹ 2.20 million which was not collected by the bank as of March 31, 2014. Further the outstanding overdraft amount with State Bank of India was ₹ 27.15 million as of March 31, 2014. The amount outstanding with State Bank of India in excess of the sanctioned limit pertains to interest for the month of March, 2014.

(2) The amount outstanding in excess of the sanctioned limit pertains to interest for the month of May, 2015.

(3) There is no outstanding amount as on May 31, 2015 against the overdraft limit availed from State Bank of India.

Basis of estimation of working capital requirement

The details of our Company's working capital requirement for Fiscal 2014 (actual), Fiscal 2015 (actual) and Fiscal 2016 (estimated) are as follows:

(*₹ in million, except otherwise stated*)

S. No.	Particulars	Fiscal 2014	Holding period (days)	Fiscal 2015	Holding period (days)	Fiscal 2016	Holding period (days)
		Audited and restated		**Audited and restated**		**Estimated**	
I.	**Current Assets:**						
	Inventories	242.86	120	306.83	146	419.81	136
	Trade receivables (including uncertified revenue)	2,796.63	86	3,587.76	97	4,153.01	94
	Cash and cash equivalents	241.93	-	209.11	-	200.00	-

S. No.	Particulars	Fiscal 2014	Holding period (days)	Fiscal 2015	Holding period (days)	Fiscal 2016	Holding period (days)
	Short term loans and advances	1,934.64	-	2,598.58	-	3,146.44	-
	Other current assets*	1,979.46	61	2,306.40	62	3,045.81	69
	Total current assets (A)	7,195.52	-	9,008.67	-	10,965.06	-
II.	**Current Liabilities:**						
	Trade payables	1,869.70	73	2,207.92	75	2,004.52	62
	Other current liabilities*	2,289.66	-	2,229.59	-	2,667.29	-
	Short-term provisions	894.34	-	1,267.79	-	1,901.46	-
	Total current liabilities (B)	5,053.70	-	5,705.31	-	6,573.27	-
III.	**Net working capital (A – B)**	2,141.82	-	3,303.37		4,391.79	-
IV.	**Funding pattern**				-		
	Working capital facilities/ short term loans	1,393.99		1,979.22		1,980.00	
	Internal accruals/net worth	747.83		1,324.15		1,361.79	
	Part of the Net Proceeds to be utilized					1,050.00	

* *For the purpose of computing net working capital, given the nature of the business involving contracts where mobilisation advances have to be provided for contracts to sub-contractors and retention money and security deposits are being deducted by customers on each and every running bill at the percentage mentioned in the terms and conditions of the contract as a part of the regular contract execution process, 'Other Current Assets' have been computed post inclusion of the long term and current portion of retention money and security deposits and long term and current portion of mobilisation advances to sub-contractors. Similarly other current liabilities have been computed post inclusion of the long term and current portion of mobilisation advances from customers and long term and current portion of retention money and security deposits due to sub-contractors.*

Note: Holding period has been calculated in the following manner:

- *Trade Receivables (including uncertified revenues) days on closing value of trade receivables (including uncertified revenues) and revenues from operations*
- *Other Current Assets days on closing value of other current assets and revenues from operations*
- *Trade Payables days on closing value of trade payables and respective expenses*
- *Inventories days on closing value of inventory (excluding construction work in progress) and average cost of materials consumed*

In respect of the working capital requirements detailed hereinabove, the assumption underlying the justification for periods of holding levels are set forth hereunder:

Trade receivables including uncertified revenues	Receivable days as per historic performance from audited financial statements as adjusted for expected future performance and growth of various business segments
Inventories	Inventory days as per historic performance from audited financial statements adjusted for business plans in various business segments
Other current assets	Other current assets as per historic performance from audited financial statements adjusted upwards for trend in the Company's order book and expected performance in various business segments
Trade payables	Trade payable days as per historic performance from audited financial statements as adjusted for expected future performance and expectations of demand from various payables due to vendors and suppliers of the company going forward

Our working capital requirements for Fiscal 2015 have been funded by existing working capital facilities of ₹ 1,979.22 million as of March 31, 2015, a) with banks; b) overdraft against fixed deposit receipts; and c) internal accruals and cash in hand. In fiscal 2015, our Company has generated ₹ 1655.18 million as operating profit before working capital changes.

Based on estimates and projections as reflected above, our Company is estimated to require incremental working capital of ₹ 1,088.42 million for Fiscal 2016. Out of this ₹ 1,050.00 million is proposed to be funded from the Net Proceeds of the Issue.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating ₹ [●] million towards general corporate purposes, including but not limited to strategic initiatives, partnerships and joint ventures, brand building exercises, funding growth opportunities, meeting expenses incurred in the ordinary course of business, meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board of Directors, will have flexibility in utilising any surplus amounts. However, the general corporate purposes for which the proceeds are deployed shall only pertain to our Company.

Appraisal and Bridge Financing Facilities

The Objects have not been appraised by any banks, financial institutions or agency. Further, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The Issue expenses consist of listing fees, underwriting fees, selling commission, fees payable to the BRLMs, legal counsel, Registrar to the Issue, Bankers to the Issue including processing fee to the SCSBs for processing Bid cum Application Forms submitted by ASBA Bidders procured by the Members of the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, printing and stationary expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Issue will be paid by and shared between our Company and the Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The break-up for the estimated Issue expenses are as follows:

Activity	Amount (₹ million)	% of Issue Expenses	% of total Issue Size
Lead Management Fees*	[●]	[●]	[●]
Underwriting Commission, brokerage and selling commission*	[●]	[●]	[●]
Commission payable to SCSBs*	[●]	[●]	[●]
Registrar's Fees*	[●]	[●]	[●]
Advertisement and marketing expenses*	[●]	[●]	[●]
Printing and distribution expenses*			
Advisors*	[●]	[●]	[●]
Bankers to the Issue*	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, fees payable to Registered Brokers, etc.)*	[●]	[●]	[●]

**Will be incorporated at the time of filing of the Prospectus.*

Monitoring of Utilisation of Funds

There is no requirement for a monitoring agency as the Fresh Issue size is less than ₹ 5,000 million. Our audit committee shall monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue in our balance sheet for the relevant financial years commencing from Fiscal 2016.

Pursuant to Clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Additionally, the Audit Committee shall make recommendations to our Board of Directors for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this

Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by our Auditors.

Further, in terms of Clause 43A of the Listing Agreement, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in this Red Herring Prospectus. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Clause 41 of the Listing Agreement and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Clause 49 of the Listing Agreement.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Telugu, the vernacular language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business and in compliance with applicable law. Further our Company confirms that it shall not use any amount raised through the Prospectus for buying or otherwise dealing in equity shares of a listed company.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the IPO Committee of our Company in consultation with the Book Running Lead Managers on the basis of an assessment of market demand for the offered Equity Shares by the book building process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹ 10 each and the Issue Price is [●] times of 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

We believe that we have the following competitive strengths:

- Integrated power infrastructure services provider with comprehensive service offering
- Established track record
- Large Order Book
- Strong project execution capabilities
- Long term relationships with clients
- Robust financial performance
- Qualified and motivated employee base and proven management team

For a detailed discussion on the qualitative factors, which form the basis for computing the Issue Price, see the sections titled "*Our Business*" and "*Risk Factors*" on Pages 127 and 16, respectively.

Quantitative Factors

The information presented below relating to our Company is based on the restated financial statements for the fiscal 2015, 2014 and 2013 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. For details, see the section titled "*Financial Statements*" on Page 198. On June 26, 2014, the shareholders of our Company approved a bonus issue of 1,080,000 Equity Shares of ₹ 10 each in the ratio of 10:1.2. All financial ratios have been calculated based on the outstanding Equity Shares after considering such bonus issue.

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

1. Basic and Diluted Earnings / Loss per Equity Share ("EPS") of our Company (in ₹)

As per our Restated Consolidated Financial Statements:

For the period ended	Basic EPS# (Consolidated)	Weight	Diluted EPS# (Consolidated)	Weight
March 31, 2015	57.48	3	57.48	3
March 31, 2014	57.23	2	54.70	2
March 31, 2013	43.24	1	40.71	1
Weighted average	55.02		53.76	

As per our Restated Standalone Financial Statements:

For the period ended	Basic EPS# (Standalone)	Weight	Diluted EPS# (Standalone)	Weight
March 31, 2015	56.94	3	56.94	3
March 31, 2014	57.42	2	54.87	2
March 31, 2013	42.35	1	39.87	1
Weighted Average	54.67		53.41	

Notes:

1. *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.*
2. *Earnings per Share is calculated in accordance with Accounting Standard 20 'Earnings Per Share', notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended).*

\# *EPS adjusted for bonus issue of shares in the financial year ending March 31, 2015.*

2. Return on Net Worth ("RONW") (%)

As per our restated financial statements:

For the period ended	RONW (Consolidated)	RONW (Standalone)	Weight
March 31, 2015	20.13%	19.98%	3
March 31, 2014	23.93%	24.01%	2
March 31, 2013	23.36%	22.99%	1
Weighted Average	21.94%	21.83%	

Note: Return of net worth has been computed as Net profit after tax divided by the Networth for equity shareholders for the respective periods

3. Minimum Return on Increased Net Worth required to maintain pre-Issue EPS for the year ended March 31, 2015:

Based on Restated Standalone Financial Statements:

The minimum return on increased net worth required to maintain pre-Issue basic EPS for the year ended March 31, 2015 is [●] at the Floor Price and [●] at the Cap Price.

Based on Restated Consolidated Financial Statements:

The minimum return on increased net worth required to maintain pre-Isse basic EPS for the year ended March 31, 2015 is [●] at the Floor Price and [●] at the Cap Price.

4. Net Asset Value ("NAV") for the Company (₹)

For the Period Ended	NAV (Consolidated)	NAV (Standalone)	Weight
March 31, 2015	281.91	281.29	3
March 31, 2014	247.64	247.55	2
March 31, 2013	190.67	189.72	1
Weighted average	255.28	254.78	

Issue Price: ₹ [●] Per Equity Share.
Net asset value after the Issue (Consolidated): ₹ [●] Per Equity Share.
Net asset value after the Issue (Standalone): ₹ [●] Per Equity Share.

Note: NAV calculated by dividing the net worth for equity shareholders at the end of the year by the total number of Equity Shares outstanding at the end of the year.

5. Price/Earning (P/E) ratio in relation to Issue Price of ₹ [●] per Equity Share of ₹ 10 each:

a. P/E based on basic and diluted EPS at the lower end of the Price Band is [●].
b. P/E based on basic and diluted EPS at the higher end of the Price Band is [●].
c. P/E based on basic and diluted EPS as per our restated Financial Statements for year ended March 31, 2015 is [●].

Peer Group P/E:
a. Highest: 33.5
b. Lowest: 3.9
c. Industry Composite: 21.7

Source: Annual filings of peer group companies, BSE, based on closing market price as on March 31, 2015.

6. Comparison with Industry Peers

(In ₹ million, except per share data)

S no.	Name of the Company	For the year ended March 31, 2015					
		Face Value (₹)	**Total Income (1)**	**Basic EPS (2) (₹)**	**P/E (3)**	**RoNW (4) (%)**	**NAV (5) (₹)**
1.	Power Mech Projects Limited#	10	13,662.23	57.48	[●]	20.13%	281.91
	Peer Group						
2.	BGR Energy Systems Limited##	10	33,551.50	4.19	28.3x	2.29%	183.13
3.	Sunil Hitech Engineers Limited##	10	18,325.76	36.24	3.9x	12.96%	269.18
4.	Techno Electric and Engineering Co. Limited##	10	7,853.11	18.41	21.1x	11.49%	160.22
5.	Larsen & Toubro Limited##	2	920,045.80	51.33	33.5x	11.65%	441.35
	Industry Composite			**27.54**	**21.7x**		

Notes:

 # Based on the restated consolidated financials of the Company for fiscal 2015

Based on consolidated financials from the audited results for fiscal 2015. RONW has been calculated based on Net worth which also includes share application money pending allotment and money received against share warrants

1. *Based on total revenue as reported in company filings, excluding other income*
2. *Basic EPS as reported in company filings*
3. *Price earnings ratio calculated by dividing the market value of the shares of the companies as on March 31, 2015, by the basic EPS of the companies for Fiscal Year ending March 31, 2015*
4. *Return of net worth has been computed as Net profit after tax for Fiscal Year March 31, 2015 divided by the Networth for equity shareholders at the end of March 31, 2015*
5. *Net Asset Value per Equity Share has been computed as net worth at the end of Fiscal March 31, 2015 divided by the total number of Equity Shares outstanding as at March 31, 2015*

STATEMENT OF TAX BENEFITS

To
The Board of Directors
POWER MECH PROJECTS LIMITED
Jubliee Enclave
Hyderabad.

Dear Sirs,

Statement of Possible Tax Benefits available to **"Power Mech Projects Limited**" and its Shareholders

We hereby report that the attached statement provides the possible special tax benefits available to **Power Mech Projects Limited** ('*the Company')* and to the Shareholders of the Company under the Income-tax Act, 1961 presently in force in India (i.e applicable for the Accounting year 2015-16 relevant to the Assessment year 2016-17). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon 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. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for Professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own Tax Consultant with respect to the specific tax implications arising out of their participation in the issue.

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

i) the Company or its shareholders will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been/would be met with.

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

This report is intended solely for information and for the inclusion in the Offer Documents in connection with the proposed Initial Public Offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Brahmayya&Co
Chartered Accountants
Firm's Regn.No.000513S

(Karumanchi Rajaj)
Partner
Memb. No.: 202309

Place: Camp : Hyderabad
Date: 16th July, 2015

<u>OUTLINED BELOW ARE THE POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE CURRENT TAX LAWS IN INDIA FOR THE FINANCIAL YEAR 2015-16 RELEVANT TO THE ASSESSMENT YEAR 2016-17</u>

<u>Special Tax Benefits available to the "Company"</u>

Considering the nature of business activities carried on by the company at present, there are no special tax benefits available to the Company.

<u>Special Tax Benefits available to the "Shareholders" of the Company</u>

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

For Brahmayya & Co
Chartered Accountants
Firm's Regn.No.000513S

(Karumanchi Rajaj)
Partner
Memb. No.: 202309

Place: Camp : Hyderabad
Date: 16th July, 2015

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

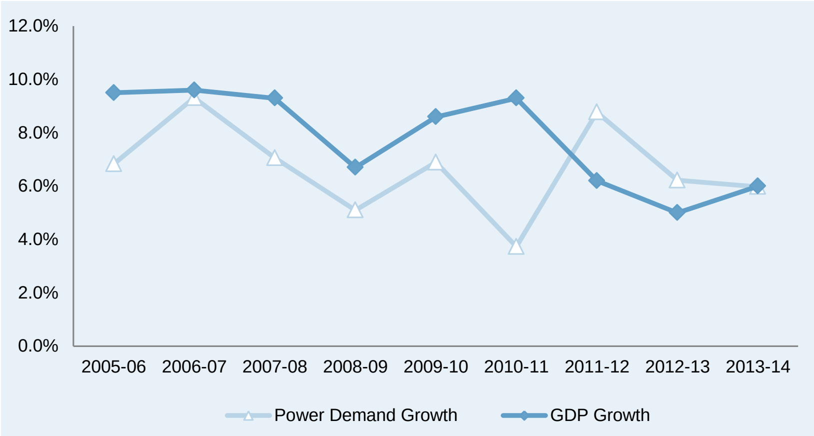
*Unless noted otherwise, the information in this section is derived from "Assessment of ETC and Overhauling, Repairs & Maintenance business opportunity in power plant" (the "**CRISIL Report 2014**"), as well as other industry sources and government publications. None of the Company, the Selling Shareholders, the BRLMs and any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.*

CRISIL Research, a division of Crisil Limited, has taken due care and caution in preparing the CRISIL Report 2014 based on the information obtained by CRISIL from sources which it considers reliable (Data). However CRISIL does not guarantee the accuracy, adequacy or completeness of the Data/CRISIL Report 2014 and is not responsible for any errors or omissions or for the results obtained from the use of Data/CRISIL Report 2014. The CRISIL Report 2014 is not a recommendation to invest/disinvest in any company covered in the Report. CRISIL especially states that it has no liability whatsoever to the subscribers/users/transmitters/distributors of the CRISIL Report 2014. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division/CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report 2014 are that of CRISIL Research and not of CRISIL's Ratings Division/CRIS. No part of the CRISIL Report 2014 may be published/ reproduced in any form without CRISIL's prior written approval.

Indian Economy and Power Sector

India is the fourth largest economy in the world, after the United States of America, European Union and China. (*Source: CIA World Factbook, 2013 - https://www.cia.gov/library/publications/the-world-factbook/rankorder/2001rank.html*). As per the advance estimates released by the Central Statistics Office (CSO), the Indian economy is estimated to have registered a growth rate of 4.7% in 2013-14 (in terms of GDP at factor cost at constant prices). (*Source: Macro-Economic Framework Statement, 2014-15, http://indiabudget.nic.in/ub2014-15/frbm/frbm1.pdf*). A moderate recovery of the Indian economy is expected to set in during 2014-2015 broadly in line with the Reserve Bank of India's (RBI) indicated projections in January 2014. The pace of recovery, nevertheless, is likely to be modest. The recovery is likely to be supported by investment activity picking up due to part resolution of stalled projects and improved business and consumer confidence. In addition, external demand is expected to improve further during 2014-15 stemming from encouraging prospects for global growth, notwithstanding some recent loss in export growth momentum. (*Source: Macro-economic and Monetary Developments 2014-15(An Update), Reserve Bank of India*).

The Indian economy is based on planning through successive five year plans that set out targets for economic development under various sectors, including the power sector. The draft twelfth five year plan for fiscal 2013 to fiscal 2017 ("Draft 12th Five-Year Plan"), which is currently under implementation, emphasises a broad-based and inclusive approach to economic growth to improve the quality of life and reduce disparities across regions. There is consensus that infrastructure inadequacies, including insufficient power generation would constitute a significant constraint in realising this development potential. To overcome this constraint, a programme of infrastructure investment, involving both public and private sectors, has been developed for the Draft 12th Five-Year Plan. Planned infrastructure expenditure for the Draft 12th Five Year Plan, which includes target power expenditure, was revised from 7.2 per cent to 8.2 per cent of GDP representing an increase of about 130 per cent from the planned expenditure for the 11th Five Year Plan ("11th Plan"). In order to meet the intended level of planned infrastructure spending, the government is encouraging private sector participation through public-private partnerships, or PPP projects.



Power Demand Growth Vs GDP Growth
Source: CRISIL Research, 2014

While power demand expanded at a compounded annual growth rate (CAGR) of 6 per cent between fiscal 2006 and fiscal 2014, India's GDP augmented at a CAGR of 7.8 per cent during the period. The similarity between India's GDP growth and power demand underlines a healthy relation between them. *(Source: CRISIL Research on Assessment of ETC and Overhauling, Repairs & Maintenance business opportunity in power plant, August 2014 ("**CRISIL Research, 2014**"))*

Power Generation Capacity In India

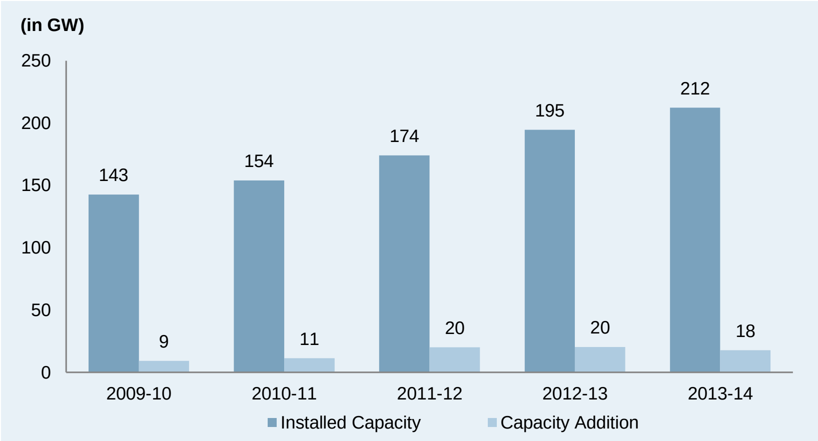
The total installed capacity (excluding renewable energy) in India has increased to 222 GW as of August 31, 2014 (*Source: Central Electricity Authority, Government of India website – www.cea.nic.in*). The total installed capacity (excluding renewable energy) in India has increased to 212 GW in fiscal 2014 from 142 GW in fiscal 2010, representing a CAGR of around 10 per cent. Moreover, around 43,300 MW of captive power capacity is also connected to the grid (as on March 2013).

The all India region wise installed capacity (in MW) as on August, 2014 is as follows:

Region	**THERMAL (MW)**				**NUCLEAR (MW)**	**HYDRO (MW)**	**RES (MW)**	**GRAND TOTAL (MW)**
	Coal	**Gas**	**Diesel**	**Total**				
Northern	39481.00	5331.26	12.99	44825.25	1620.00	16598.11	5935.77	68979.13
Western	58859.51	10915.41	17.48	69792.40	1840.00	7447.50	11271.07	90350.97
Southern	27382.50	4962.78	939.32	33284.60	1320.00	11398.03	13784.67	59787.30
Eastern	26527.88	190.00	17.20	26735.08	0.00	4113.12	432.86	31281.06
North-east	60.00	1208.50	142.74	1411.24	0.00	1242.00	256.67	2909.91
Islands	0.00	0.00	70.02	70.02	0.00	0.00	11.10	81.12
ALL INDIA	152310.89	22607.95	1199.75	176118.59	4780.00	40798.76	31692.14	253389.49

(*Source: Central Electricity Authority, Government of India website - http://www.cea.nic.in/reports/monthly/executive_rep/aug14.pdf)*

Capacity additions have exceeded the target set each year during fiscal 2012 to fiscal 2014. The Electricity Act, 2003 coupled with competitive bidding for power procurement implemented in 2006, encouraged the participation of the private sector which has announced large capacity additions. As a result, private participants have commissioned a significant number of projects over the last two years leading to a robust growth in capacity addition. *(Source: CRISIL Research, 2014)*



Installed capacity and capacity addition

Power - Installed Capacity

Note: The above chart excludes renewables. Figures represent conventional power only

Source: CRISIL Research, 2014

Coal based capacities account for a large portion (~60 per cent in fiscal 2014 increasing from ~52% in fiscal 2009) of the overall fuel mix as it continues to remain the most widely available and the cheapest source of fuel. On the other hand, the share of hydro plants has declined to 19 per cent in fiscal 2014 from around 28 per cent in fiscal 2009. The share of hydro plants fell on account of issues such as delay in environmental clearances, difficulties in land acquisition, adverse weather conditions and frequent labour strikes.

From fiscal 2011 to fiscal 2014, around 70 GW of capacities were added primarily led by the private sector, which accounted for 55 per cent of the total additions. A record 20 GW of capacities was added in fiscal 2012 and 2013 followed by 17.8 GW in fiscal 2014. This was primarily due to the opening of the sector to private players through the introduction of competitive bidding in 2006. *(Source: CRISIL Research, 2014)*

Energy generation scenario

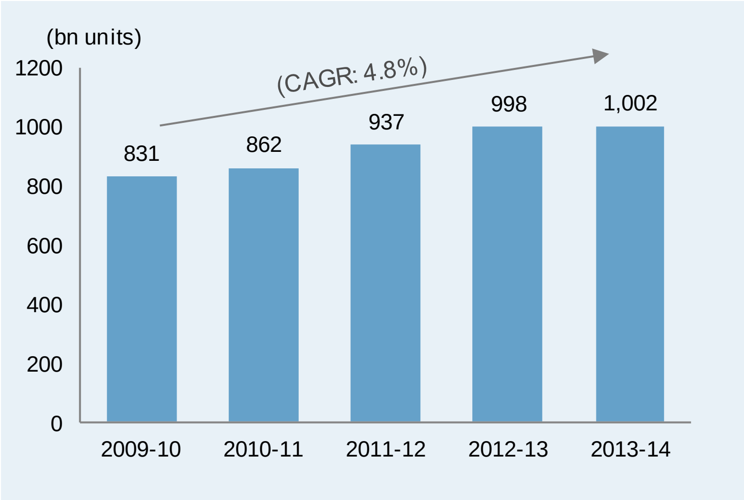
Energy generation over the past five years has grown at a CAGR of 5.8 per cent to 961 TWh (TeraWatt Hour) in fiscal 2014 from 766 TWh in fiscal 2010. The share of private sector in energy generation has increased rapidly over the years to 23.5 per cent in fiscal 2014. The growth in private sector energy generation is predominantly due to their significant capacity additions, which has seen their share in the total installed capacity rise to 26.5 per cent in 2013-14 from 8.5 per cent in 2008-09.

Of the conventional energy sources, coal continues to garner a share of over 80 per cent as fuel for energy generation over the last five years, as it is the most widely available and cheapest source of fuel. The share of hydro based capacities has declined to 14.0 per cent in 2013-14, primarily owing to land acquisition issues. *(Source: CRISIL Research, 2014)*

Demand Scenario

Power demand scenario in India

Base load power demand grew at a CAGR of 4.8 per cent over the past 5 years (2009-10 to 2013-14). Growth in demand during the initial years of this period was restricted primarily due to the slow pace of capacity additions and lack of adequate transmission infrastructure. Also, deteriorating financial position of state distribution companies (discoms) resulted in load shedding, which further restricted demand growth. Demand growth slowed down, particularly in 2010-11, due to backing out by state discoms on account of their poor financial health.



Base demand growth over past 5 years (2009-10 to 2013-14)

Source: CRISIL Research, 2014

However, demand growth picked up in 2011-12 and 2012-13 on account of higher availability led by capacity additions of close to 20 GW in each of these years. Demand grew at a muted pace of 0.4 per cent in 2013-14 on account of weak demand from industrial and commercial consumers due to subdued economic growth. *(Source: CRISIL Research, 2014)*

Power Deficit Scenario In India

Base demand (sum of actual consumption and transmission and distribution losses) for power has expanded at a CAGR of 4.8 per cent to 1,002 billion KWh in 2013-14 from 831 billion KWh in 2009-10. During the same period, supply has increased to 960 billion KWh from 747 billion KWh at a CAGR of 6.5 per cent. This has led to a reduction in base energy deficit to 42 billion KWh in 2013-14 from 84 billion KWh in 2009-10 as significant capacity additions (~57 GW) in the last three years have led to supply growth outpacing demand growth. Moreover, demand growth has been subdued in the last two years owing to slowdown in economic growth. The demand-supply deficit narrowed down from 10.1 per cent in 2009-10 to 4.2 per cent in 2013-14.

Similarly, peak demand for energy increased at a CAGR of 4.9 per cent to 144 GW in 2013-14 from 119 GW in 2009-10 while peak supply grew at CAGR of 7.9 per cent during the same time period. Consequently, peak shortage has declined over the years to 3 GW in 2013-14 from 15 GW in 2009-10.

The demand-supply deficit has narrowed down from 12.6 per cent in 2009-10 to 2.1 per cent in 2013-14. *(Source: CRISIL Research, 2014)*

Outlook: Indian Power Sector

Capacity additions in next 5 years (2014-2018)

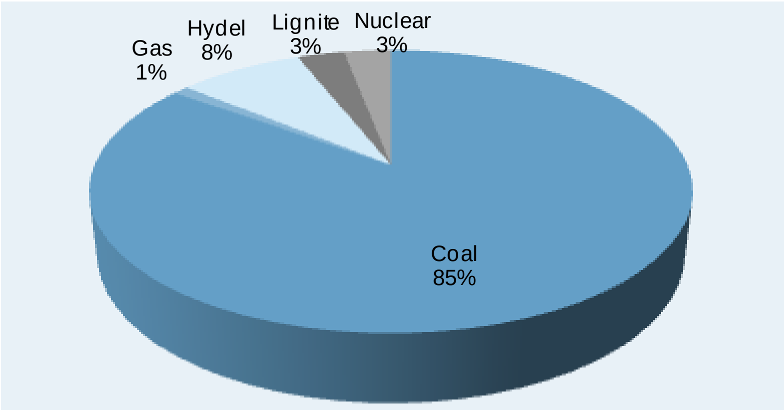
Based on parameters such as land acquisition, obtaining environmental and forest clearances, achievement of financial closure, extent of fuel supply, power purchase agreements, ordering of boiler turbine generator (BTG) equipment, CRISIL Research, 2014 expected about 51 GW of capacities to commission over 2014 to 2018. Going forward (2016-18), capacity additions are expected to slow down. This will be driven by declining power deficit, completion of large announced projects, as well as continued concerns on fuel availability over the medium term. Moreover, banks are also adopting a cautious approach given high power sector exposure. *(Source: CRISIL Research, 2014)*

Private sector to dominate capacity additions in the next five years

Private sector is expected to lead capacity additions in the next 4 years accounting for 52 per cent of total capacity additions. On the other hand, capacity additions by the state sector are expected to slow down due to poor execution efficiencies and limited fuel supply pacts signed for announced projects. As a result, it is expected that the share of the state sector would decline to 22 per cent over 2015-18 from 25 per cent over 2011-

14. It is also expected that states such as Andhra Pradesh, Tamil Nadu, Madhya Pradesh and Uttar Pradesh to lead capacity additions within the state sector. *(Source: CRISIL Research, 2014)*

Coal based capacities to account for 85 per cent of total additions. The following table illustrates the expected fuel wise capacity additions over fiscal 2015 to fiscal 2018.



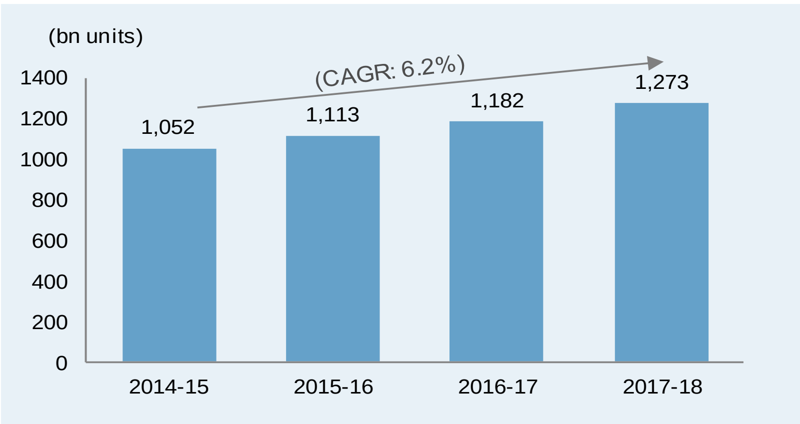
Fuel-wise capacity additions (2014-15 to 2017-18)
Source: CRISIL Research, 2014
100% = 51 GW

Demand Outlook For Indian Power Sector

Power demand outlook in India

CRISIL Research, 2014 estimates power demand growth to be at 6.2 per cent CAGR over 2014-2018. Industrial demand which declined in 2013-14 is expected to revive from 2014-15 onwards led by gradual improvement in demand from key infrastructure and manufacturing sectors such as metals, mining, cement and auto. It is also expected that the strong growth in demand from the residential segment would continue on account of high latent demand. The new government's thrust on improving access to electricity through higher investments in power distribution infrastructure is expected to increase demand from rural residential consumers. Demand growth will also be supported by higher power availability on the back of strong capacity additions coupled with gradual improvement in fuel availability.

Moreover, a gradual improvement in the financial health of discoms is expected with the implementation of the financial restructuring plan and regular tariff hikes leading to increased power offtake. *(Source: CRISIL Research, 2014)*

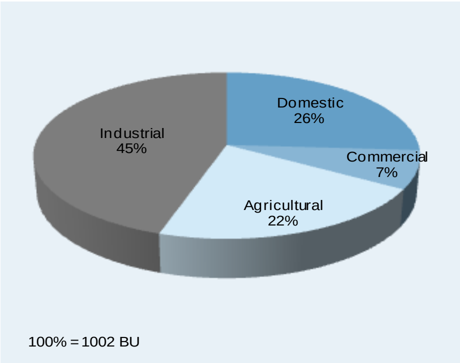


Outlook: Base demand growth (2014-15 to 2017-18)
Source: CRISIL Research, 2014

Latent demand in the residential segment to drive growth

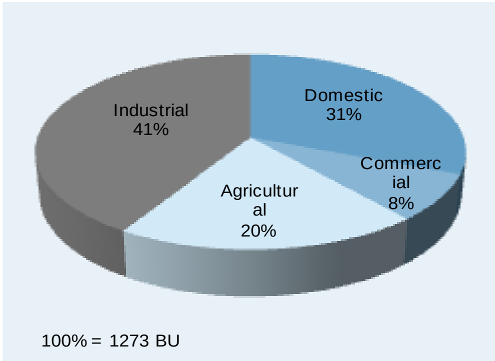
Overall power demand growth is expected to be driven primarily by the residential segment, which is estimated to expand at a CAGR of close to 10.9 per cent over, 2014-2018 as compared to 7.7 per cent CAGR over the last 5 years. This is primarily on account of high latent demand, which is expected to be largely met due to higher power availability. Power offtake by the residential segment would also be supported by higher disposable income and rising urbanisation.

Segment-wise demand (2013-14)



Source: CRISIL Research, 2014

Segment-wise demand (2017-18P)



P: Projected

Source: CRISIL Research, 2014

On the other hand, demand growth from the industrial segment is estimated to be subdued at 4 per cent CAGR over the next 4 years on account of relatively slow economic growth over the medium term. Power demand growth is expected to be tepid despite factoring substitution demand arising on account of shift to grid power from diesel based generation. Similarly, demand in the commercial segment is also expected to grow at a CAGR of 6.9 per cent. Demand growth in the agricultural segment is also expected to remain tepid at about 4.3 per cent CAGR.

As compared to the residential segment, demand from the industrial segment is expected to be about 3.9 per cent CAGR over the next 4 years. The demand growth would be at par with the 4 per cent growth witnessed over the previous 5 years. The demand growth is on account of revival of manufacturing and mining activities, which declined in 2013-14 due to weak GDP growth.

The demand from the commercial segment is expected to improve led by rising urbanization which in turn will lead to a growth in commercial spaces such as hospitals, educational institutions, malls and offices. Demand growth in the agricultural segment, however, is expected to remain steady at about 4.3 per cent CAGR.

Despite moderate growth in the industrial segment, it will continue to account for a majority share in total power consumption. The share of the industrial segment is expected at 41 per cent in 2017-18 from 44 per cent in 2013-14. On the other hand, the share of residential segment is expected to rise to 31 per cent from 27 per cent over the same period. *(Source: CRISIL Research, 2014)*

Southern and Northern regions to show stronger demand growth

Over the next 4 years, the southern and northern regions are expected to drive demand growth. This region is expected to register a demand growth of 5.9 per cent. Southern states including Andhra Pradesh, Karnataka, and Tamil Nadu, which have high power deficits in the range of 7-9 per cent, will drive demand growth in the Southern region. Demand is also expected to improve with the integration of the southern grid with the national grid as an increase in power availability will lead to decline in forced outages in the southern region. Moreover, the improvement in the financial position of discoms in Tamil Nadu and Andhra Pradesh on the back of implementation of the financial restructuring plan will also support demand growth.

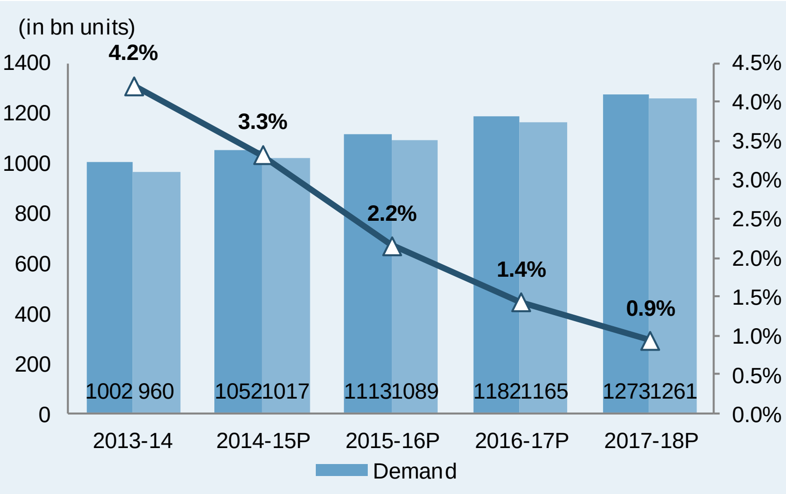
Demand from the Northern region is expected to be led by Uttar Pradesh, Rajasthan and Haryana. Power demand in UP is expected to be led by high power deficit of around 13 per cent (2013-14). Moreover, the per capita consumption in UP is relatively low at about 480 units as compared to a national average of 917 units in 2012-13. Also, Rajasthan and Haryana have implemented the financial restructuring of their state discoms which will lead to an improvement in their liquidity position and thereby increase power offtake in these states.

Demand from the eastern region is also expected to be moderate at around 4.7 per cent CAGR led by higher power availability on account of capacity additions of around 9 GW over the next 4-5 years. However, poor financial health of discoms in states such as Bihar, Jharkhand and Odisha is expected to limit power offtake.

In the western region, key states including Maharashtra, Gujarat, Chhattisgarh, and Madhya Pradesh are power surplus or have negligible deficit of 0-1 per cent. Consequently, demand in the western region is expected to be tepid at 3.2 per cent CAGR. Moreover, high industrial and commercial tariffs at ₹ 8-9 per unit in states such as Maharashtra coupled with high cross subsidy charges that prevent open access is expected to restrict any significant rise in power demand from these segments. *(Source: CRISIL Research, 2014)*

Deficit Scenario In Indian Power Sector

It is expected that base demand for power would grow at a rate of 6.2 per cent CAGR through the forecast period. Demand, which was subdued in 2013-14, is expected to revive on account of increase in manufacturing as well as commercial activity led by higher demand from sectors such as auto, cement, paper, IT and retail among others. Moreover, improved supply, on the back of strong capacity additions over the past 3 years and next 2 years (expected) coupled with robust investments in transmission infrastructure is expected to support rising demand. Consequently, CRISIL Research expects base deficit to decline from 4.2 per cent in 2013-14 to 0.9 per cent in 2017-18.



Aggregate power demand supply (base energy) - Outlook
Source: CRISIL Research, 2014

Base deficit has already witnessed a decline in 2014-15 on account of strong growth in power supply. In the first 4 months of 2014-15, deficit has declined to 4.0 per cent from around 5.8 percent in the same period last year. Base deficit has reached near zero levels in states such as Gujarat, Madhya Pradesh, Haryana and Punjab. On the other hand, southern states such as Andhra Pradesh, Tamil Nadu and Karnataka continue to face relatively higher deficit of 6-8 per cent due to lack of adequate transmission capacity and poor financial health of state discoms. However, transmission constraints are expected to ease over the next 12 months with the integration of the southern grid with the national grid.

Over the long-term, reduction in deficit will also be led by gradual reduction in AT&C (aggregate, technical and commercial) losses. Investments by discoms are expected to pick-up gradually with improvement in their financial position. Moreover centrally funded schemes for feeder separation, investments in metering and smart distribution grids would help reduce AT&C losses. AT&C losses are expected to decline gradually to around 23 per cent in next 4-5 years from 25.4 per cent in 2012-13. *(Source: CRISIL Research, 2014)*

Issues And Challenges In Power Sector

Limited fuel availability, delayed clearances and stretched financials to adversely impact capacity additions

While there are around 95 GW of capacities under construction as of March 2014, it is expected that only 51 GW would be commissioned over 2014-15 to 2017-18. Key factors that are expected to delay the pace of capacity additions are explained in detail below:

Limited Fuel Availability. While Coal India has been mandated to sign FSAs with 78 GW (74 GW signed as on Apr-2014) to be commissioned between fiscals 2009 and 2015, supply under the new FSAs is expected to support PLFs of only 55-65 per cent as against 77 per cent in pre 2009 FSAs. This is because the new FSAs assure domestic coal supply only to the extent of 65-75 per cent of average contracted quantity (ACQ or 85 per cent PLF). Balance is expected to be imported and supplied on a cost plus basis. As a result, coal based projects which are at a nascent stages are likely to be postponed until coal availability situation improves. Constraint in gas availability is also expected to continue until 2016-17, thereby limiting gas based capacity additions.

Expansion through acquisitions. New project announcements have also declined as large players are increasingly seeking the inorganic route for expansion. This is on account of rising execution risks in the power sector owing to land acquisition issues, delays in clearances and lack of visibility on fuel supply. Several large conglomerates such as Adani Power, Reliance Power, JSW Energy and NTPC have either acquired capacities or are evaluating existing projects for acquisition. Close to 5 GW of capacities have been acquired over the past 12 months.

Delay In Clearances. Delays in acquisition of land and obtaining environment and forest clearances are also expected to delay project commissioning. Some large projects of participants such as NTPC (Nabhinagar TPP), Reliance Power (Tilaiya UMPP), and Essar Power (Tori TPP), amongst others, have been delayed due to lack of adequate environmental and forest clearances. This is also true in case of projects with captive mines. Of the 40 GW of capacities based on captive coal, only 11 GW including Kudgi TPP (Pakri Barwadih), Sasan UMPP (Moher, Moher-Amlori Extn & Chhatrasal), and Mahan TPP (Mahan) have secured requisite clearances.

Stretched Financials Of Developers. The financial position of most private developers is stretched owing to high amount of debt raised to fund acquisitions or projects across the infrastructure space. Further, cash flows from operational projects have been under severe pressure due to weak volume growth. This has constrained the financial flexibility of participants, which has resulted in a slowdown in investments on projects under construction. This view is corroborated by the fact that no new generation project has been announced over the past 18-24 months.

Reforms initiated to address key issues, however, implementation remains poor.

Snapshot of the reforms

Expected timelines for resolution of key issues

Reforms	Near-term ~1 yr	Medium-term 1-3 yrs	Long-term >5 yrs
Fuel supply	- FSA signed for 74 of 78 GW - Diversion of 25 MT of E-auction coal to power to increase generation by 4% - Incremental gas supplies of 6-7 mmscmd to power sector	- Expediting key railway links to evacuate ~50 MT - Captive coal supplies to double to 49 MT - Rationalisation of coal linkages to lower coal costs - Environment norms eased	- Ramp up of CIL production - Commercialisation of coal mining to improve supply - Increase in gas prices to increase investments in gas production
Compensatory tariffs / SBD	- Tariff revision approved for 4GW of 18 GW capacities petitioned - To improve project cash flows	- APTEL order on Mundra projects to set precedent for other stressed PPAs	
New SBD guidelines		- Fuel cost pass through to reduce risk to developers. - However, most players have tied up capacities – to benefit only open capacities and new projects	
Clearances		- Fast tracking of clearances for projects worth Rs. 32 bn to speed up implementation; - ~Rs. 95 bn worth projects under consideration	
Financing		- Exemption from CRR/SLR/PSL for LT bonds to improve cash flows; reduce interest rates by ~50 bps for new projects - Setting up of infra investment trusts to ease liquidity constraints	
Distribution	- STL restructured in RAJ, HAR, UP, TN; to reduce interest rates by ~60p/unit and improve liquidity - Tariff hikes of 6.5% in FY'14, ~2% in FY'15 continues to remain inadequate	FRP to be implemented in Bihar, Jharkhand and AP	Financial position to improve but revenue gap to persist

Note: FSA (Fuel Supply Agreement), CIL (Coal India Limited), APTEL (Appellate Tribunal For Electricity), CRR (Cash Reserve Ratio), SLR (Statutory Liquidity Ratio), PSL (Priority Sector Lending), LT (Long Term), RAJ (Rajasthan), HAR (Haryana), ST (Short term), UP (Uttar Pradesh), TN (Tamil Nadu), AP (Andhra Pradesh), STL (Short Term Loans), FRP (Financial Restructuring Plan)
Source: CRISIL Research, 2014

Government has taken steps to address issues related to fuel availability, economic feasibility of projects and financial health of discoms, however, the impact of these are expected only over the medium to long-term. For instance, construction of 3 critical railway lines (Tori-Shivpuri-Kathotia in Jharkhand, Bhupdeopur-Korichhaapa to Mand Raigadh mines in Chhattisgarh and Barpali-Jharsuguda in IB Valley, Odisha) have been expedited and are expected to commission in 2017-18. These lines will cumulatively improve coal offtake by around 50 MT. Moreover, the government has also eased environmental norms (mines with annual capacity of up to 16 MT can expand capacity by 50 per cent without holding public hearing), which is also expected to support coal production growth over the medium term.

Further, tariff revisions have currently been approved for around 4 GW capacities out of 18 GW capacities that have petitioned for tariff revision. These include Adani Power's Tiroda TPP (₹ 1.01/unit), Kawai (₹ 0.25/unit) and Lanco Infratech's Udupi TPP (₹ 0.44/unit). However, the final decision on the balance capacities is likely to be contingent on APTEL's final decision on Adani Power and Tata Power's Mundra power plants.

To address fuel and tariff-related issues and mitigate risks, the government has introduced new standard bidding guidelines which allows complete pass through of fuel costs. This is believed to benefit close to 8 GW of existing untied capacities and 38 GW of under-construction capacities which are yet to enter into power purchase agreements.

Also, on the distribution front, there has been reasonable traction with discoms in states of Tamil Nadu, Uttar Pradesh, Rajasthan and Haryana having approved the restructuring package, which will gradually improve their financial position. However, it is believed that regular tariff revision and investments are critical to improve the financial health of state discoms. *(Source: CRISIL Research, 2014)*

Weak financial health of discoms

Distribution is the final and critical link in the power sector value chain. However, the financial position of the distribution sector has significantly deteriorated over the last 7 years due to irregular tariff hikes, high aggregate, technical and commercial (AT&C) losses and delay in subsidy payments by respective state government. This has adversely impacted power offtake by distribution companies (discoms) and led to a delay in payments to generation companies. *(Source: CRISIL Research, 2014)*

OPPORTUNITIES IN POWER SECTOR

Investments In Power Sector

Investments over fiscal 2009 - 2013

Investments in the power sector rose at an estimated CAGR of 12 per cent over the past 5 years (2008-09 to 2012-13) aggregating to ₹ 5.6 trillion. Over this period, the Central and State sectors are projected to have accounted for 69 per cent of the total investments, while private sector contributed the balance 31 per cent. The share of private sector in overall investments is expected to have more than doubled to 37 per cent in 2012-13 from 18 per cent in 2007-08 with huge investments in the generation space. The increased private sector contribution from previous years was on account of the enactment of the Electricity Act 2003 that allowed participation of private participants in the power sector.

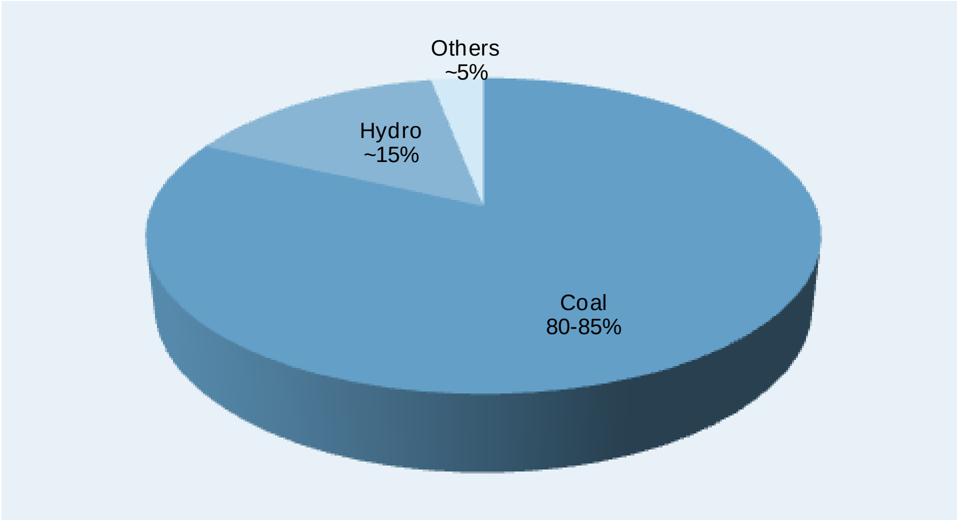
Further the generation segment dominated investments over 2009-13, with an estimated outlay of ₹ 3.4 trillion accounting for nearly 62 per cent of overall investments. These investments were driven on the back of capacity additions of 64 GW over the period. With the introduction of tariff based competitive bidding in 2006, large private conglomerates were awarded around 50 GW of generation projects. Consequently, the private sector accounted for 55 per cent of the total capacity additions of 64 GW over the past 5 years.

Investments in the transmission sector increased at a CAGR of 25 per cent over the last 5 years aggregating to ₹ 1152 billion. The distribution segment witnessed an estimated ₹ 970 billion investment over the past 5 years. However, a large proportion of these investments have been led by Central government schemes such as Accelerated Power Development and Reform Programme (R-APDRP) and Rajiv Gandhi Grameen Viyutikaran Yojana (RGGVY). This is on account of the weak financial position of the state distribution companies. In fact, over 2011-14, investments are estimated to have declined as continued under-recoveries of costs led to total accumulated losses of ₹ 2.4 trillion as of March 2013. *(Source: CRISIL Research, 2014)*

Estimated investments over fiscal 2014-18

CRISIL Research, 2014 projects investments of ₹ 6.6 trillion in the power sector over the next 5 years (2013-14 to 2017-18). The share of private sector in overall investments over 2014-18 is expected to decline to 28 per cent. The share of central sector is expected to improve to 34 per cent over 2014-18 as compared to 31 per cent over the past 5 years due to strong investments by central sector utilities in power generation and power transmission, respectively. On the other hand, share of state sector is expected to remain stable at 38 per cent.

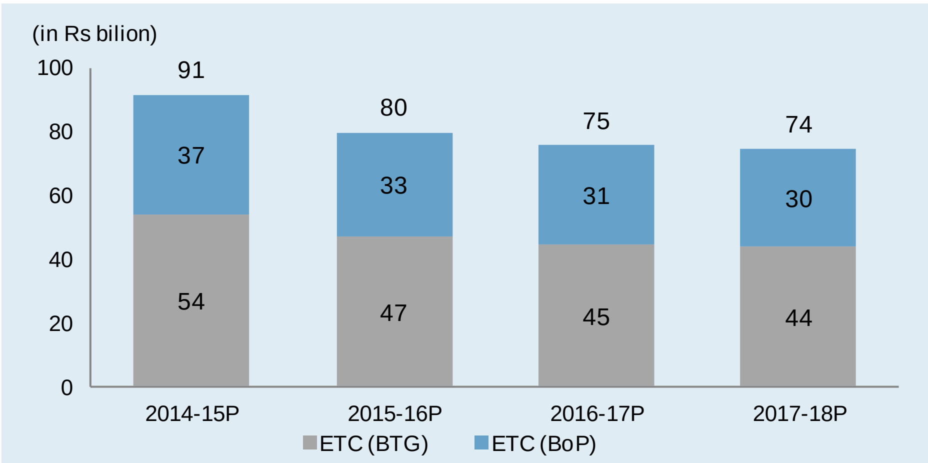
While the generation segment will continue to account for the largest share of investments, it is expected to be lower at 50 per cent over the forecast period as compared to 62 per cent over the last 5 years. This segment is expected to witness an investment of around ₹ 3.3 trillion between 2013-14 and 2017-18 of which the thermal power investment is anticipated to constitute a major share, followed by hydro power segment. Investments in the transmission segment are expected to grow robustly led by expansion plans in inter-state transmission lines over the next 5 years. (*Source: CRISIL Research, 2014*)



Fuel-wise share in future investment (2013-14 to 2017-18)
(Source: CRISIL Research, 2014)

Investment potential in thermal power segment

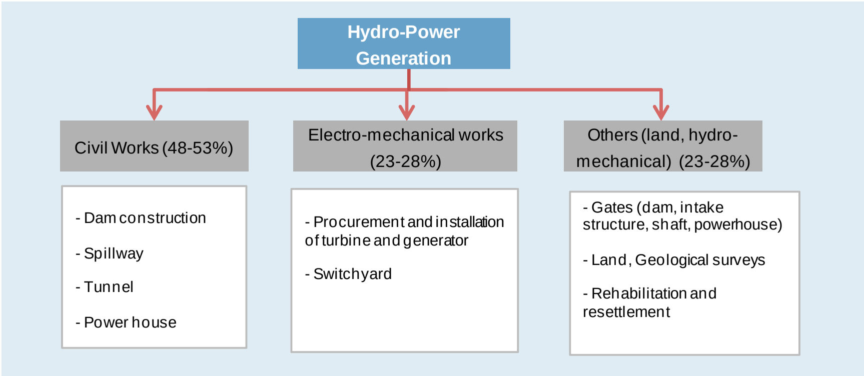
Based on CRISIL Research, 2014, the opportunity in erection, testing and commissioning (ETC) for BTG for the period 2014-18 pans out to be around ₹ 189 billion. The ETC activity in BoP comprises of erection, testing and commissioning of all machines in the BoP aspect (i.e. CHP, AHP, etc.). Typically, ETC constitutes 12-14 per cent of the overall BoP cost. The opportunity in ETC for BoP for the period 2014-18 turns out to be around ₹ 131 billion. The civil cost (i.e. cumulative civil cost of all activities in BTG and BoP) is typically around 48-53 per cent of the overall BoP cost. This translates to around 18-23 per cent of the overall project cost.



ETC in thermal power segment
(Source: CRISIL Research, 2014)

The civil works include structural and other works (such as concrete, etc). The civil cost typically varies across the region, with higher costs incurred in the area with moist soil (and hence higher foundation works). The opportunities in civil work turns out to be ₹ 505 billion, of which, ₹ 227 billion (around 45-50 per cent) is attributed to structural/fabrication work. *(Source: CRISIL Research, 2014)*

Investment Potential in Hydro Power segment



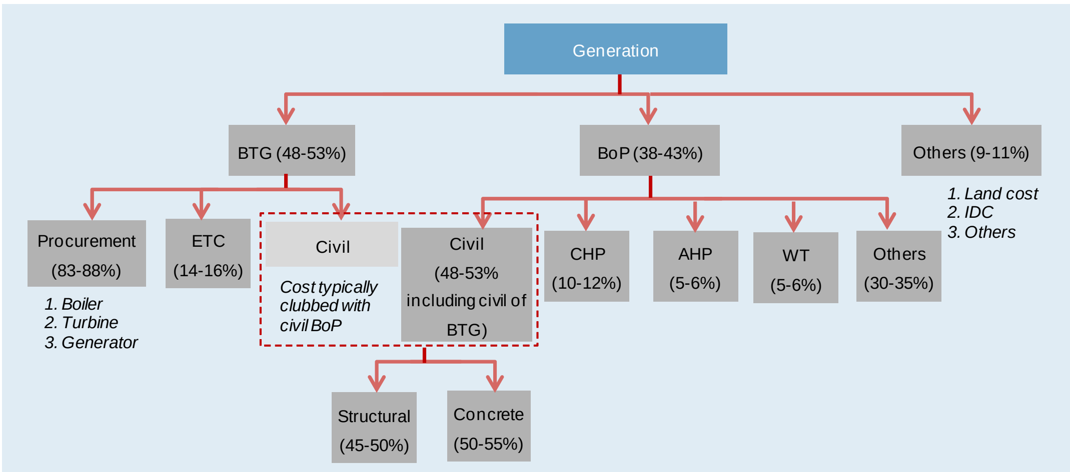
Broad level classification of hydro-power plant components
Source: CRISIL Research, 2014

The hydro power segment is expected to witness a capacity addition of around ~3.7 GW for the period 2014-18. The 3.7 GW of capacity addition is expected to translate to an investment of around 10 per cent of overall power sector's cumulative investment. CRISIL Research, 2014 expects opportunities in the civil works and electro-mechanical segment of the hydro-power segment to cumulatively sum up to ₹ 195 billion and ₹ 85.1 billion, respectively for the period 2014-18. *(Source: CRISIL Research, 2014)*

Overview of equipment in power industry

Generation components are majorly split into two main sub-components- BTG and BoP (Balance of Plant). The BTG component constitutes the boiler, turbine and generator of one unit each, while the BOP component mainly comprises of the coal handling plant (CHP), ash handling plant (AHP), condenser, cooling tower, boiler feed pump, etc. *(Source: CRISIL Research, 2014)*

Key components in thermal power plant



Investment intensity in thermal power generation segment (by installation type)
Note: IDC: Interest during construction
Source: CRISIL Research, 2014

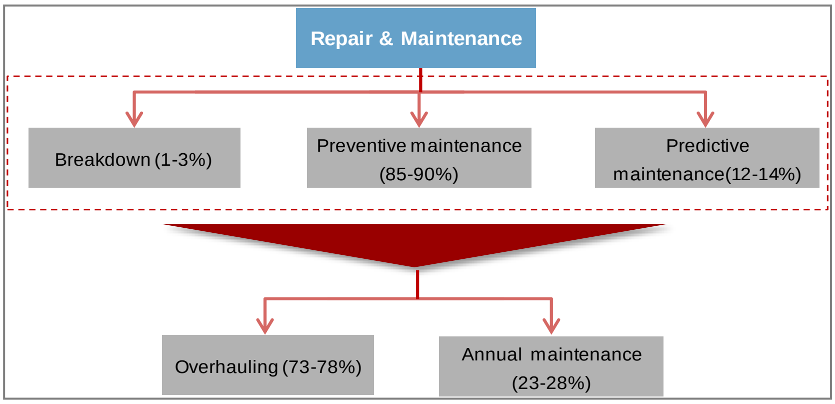
Repair and maintenance in Power sector

Typically, the repair and maintenance activity of a power plant can be classified into three components:

Break-down maintenance refers to maintenance of the machinery/components during their random course of breakdown. Break-down maintenance is ad-hoc in nature and is believed to cause a relatively significant impact (cost and time) to the power plant, as compared to predictive maintenance or preventive maintenance. Today, power plants thrive to minimize the instance of break-down maintenance by adopting new methods.

Predictive maintenance involves estimating the health of machinery/equipments through control systems and other monitoring systems. Predictive maintenance is typically carried out across the industry to minimize the occurrence of break-downs and hence limit break-down maintenance.

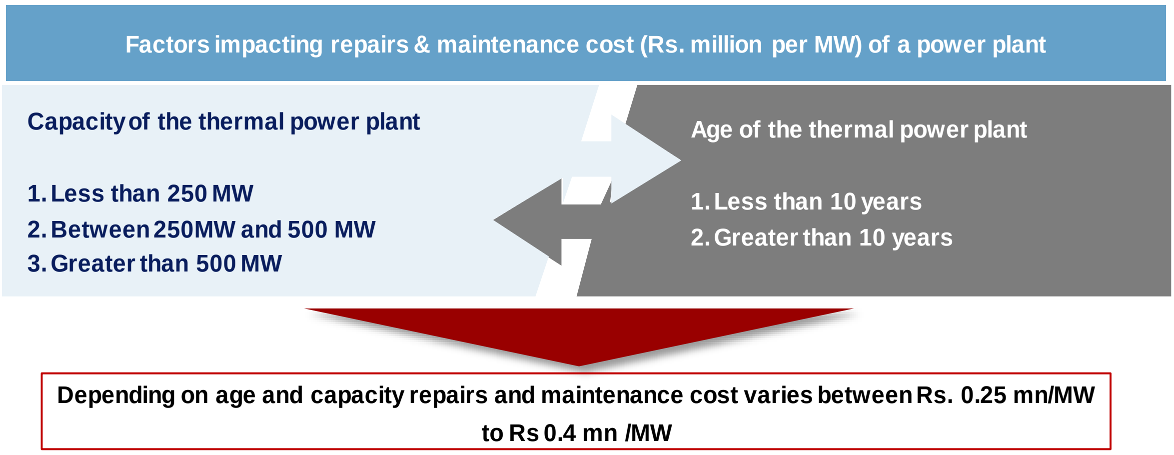
Preventive maintenance: Preventive maintenance is the periodic maintenance activities carried out by the power plant. Preventive maintenance is performed both owing to statutory reasons (inspection of boiler by the boiler inspector on periodic basis) as well as maintenance of other components. Preventive maintenance can be either routine maintenance or routine overhauling.



Broad overview of repair and maintenance in power segment
Source: CRISIL Research, 2014

It is pertinent to note that the repairs and maintenance cost for gas and hydro power plants fall in the range of ~₹ 0.4 million/MW and ₹ 0.2 million/MW respectively. Apart from the repair and maintenance, the plant undergoes major overhauling (thermal: once in 25 years and hydro: once in 35 years)

The repairs and maintenance cost for a power plant varies with the age and the capacity of the power plant. While power plants with larger capacities (i.e. above 500 MW) have lower repairs and maintenance cost, the repairs and maintenance cost also escalates with the age of the plant. The indicative range of repairs and maintenance cost (₹ per MW) for a thermal power plant hovers between the lower figures such as ₹ 0.25 million/MW for a 500 MW thermal plant to relatively higher figures such as ₹ 0.35 million/MW for 300 MW power plants. *(Source: CRISIL Research, 2014)*

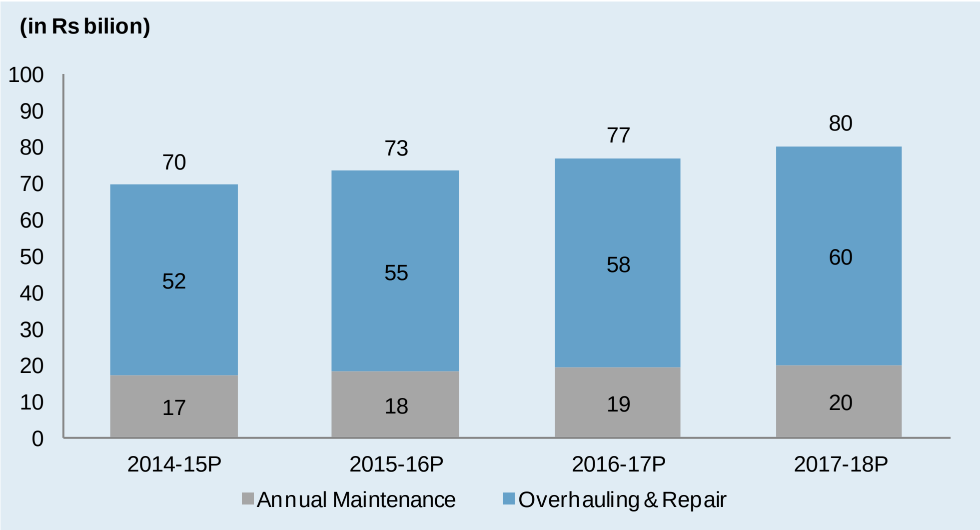


Factors impacting repairs and maintenance in a thermal power plant
Source: CRISIL Research, 2014

Repairs and maintenance cost according to different segments.

Thermal power

Typically, the repair and maintenance cost for a thermal plant differs with the age and capacity of the plant. While larger capacities incur lower cost of repair and maintenance (₹ per MW) as compared to lower capacity plants, older plants incur a relatively higher cost of repair and maintenance as compared to the new power plants.



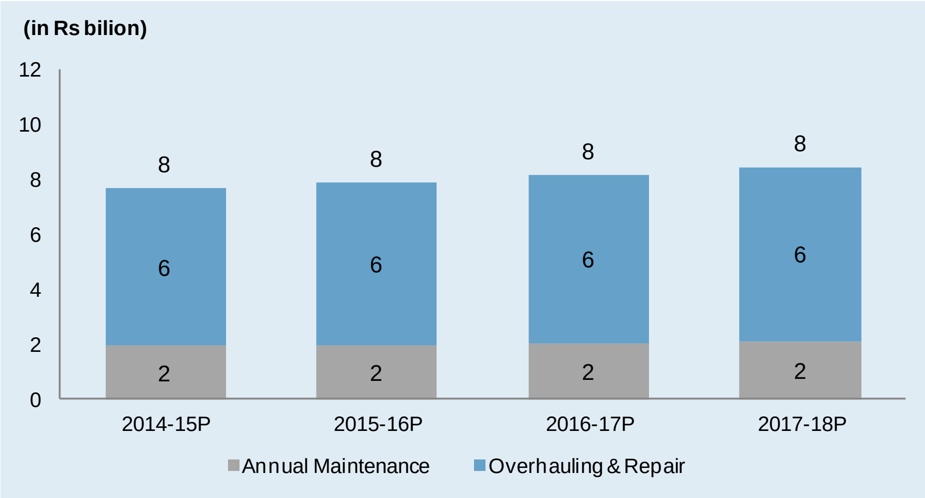
Repair and maintenance cost in thermal power segment
Source: CRISIL Research, 2014

Majority of the costs for repairs and maintenance (around 73-78 per cent) is incurred during overhauling, and the remaining is incurred during annual maintenance.

The repair and maintenance cost for thermal power plants in the period 2014-15 to 2017-18 is estimated to be around ₹ 299 billion. While some part of renovation and modernization (R&M) activity is done in-house, outsourcing to external R&M participants is very common for the purpose of technical expertise. On a broader level, the outsourcing composition in annual maintenance and overhauling & repair of thermal power plant is at 72-77 per cent and 87-92 per cent, respectively. Of the overall potential of ₹ 299 billion, the estimated opportunity for repair and maintenance companies for overhauling and annual maintenance activity is estimated to be around ₹ 224 billion and ₹ 75 billion, respectively. *(Source: CRISIL Research, 2014)*

Hydro Power

Typically, the repair and maintenance cost for a hydro-power plant is lower than thermal power plants. The repairs and maintenance activities in hydro power plants includes maintenance of turbine (addressing erosion, sediment problems, silt removal and other activities) as well as other components (generator, associated components, etc).



Repair and maintenance cost in hydro power segment
Source: CRISIL Research, 2014

Based on CRISIL estimates, the total repair and maintenance cost for hydro power till 2017-18 is estimated to be around ₹ 31.8 billion. Of the total sum, the identified potential for the repair and maintenance industry turns out to be around ₹ 9.5 billion and ₹ 2.4 billion, respectively for overhauling and annual maintenance. *(Source: CRISIL Research, 2014)*

Major Overhauling

The plant overhauling is typically done to refurbish the plant as it nears the end of its useful life. While the plant life for a thermal power plant is estimated to be around 25 years, the plant life for a hydro power plant is estimated at around 35 years. CRISIL assumes that 70 per cent of the plant nearing the end of plant-life would undergo overhauling in between 2013-14 and 2017-18, and as a result it could be expected that this would translate into a plant overhauling cost of around ₹ 106 billion. *(Source: CRISIL Research, 2014)*

Developments in Union Budget 2015-2016

The GoI recently announced the Union Budget 2015-2016 with a number of proposals in relation to the infrastructure and power sector. The Union Budget includes proposals including setting up of certain ultra mega power projects through a transparent auction system; revised renewable energy target set at 175 GW and clean energy CESS on coal.

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on Page 14 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" on Page 16 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

In this section, a reference to the "Company" means Power Mech Projects Limited. Unless the context otherwise requires, references to "we", "us" or "our" refers to Power Mech Projects Limited and its subsidiaries on a consolidated basis.

Unless otherwise indicated, financial information included herein are based on our Restated Consolidated Financial Statements included in this Red Herring Prospectus beginning on Page 285.

Overview

We are an integrated power infrastructure services company in India providing comprehensive erection, testing and commissioning of boilers, turbines and generators (ETC-BTG) and balance of plant (BOP) works, civil works and operation and maintenance (O&M) services. Our operations include three principal business lines: (i) Erection Works; (ii) Operation & Maintenance Services; and (iii) Civil Works.

Erection Works. Our Erection Works business includes erection, testing and commissioning of boilers, turbines and generators and BOP works for the power sector as well as other allied industries including petrochemicals, steel and cement. In fiscal 2012, 2013, 2014 and 2015, revenues from our Erection Works business was ₹ 5,878.46 million, ₹ 7,421.35 million, ₹ 8,906.18 million and ₹ 9,102.04 million, respectively, representing 83.38%, 79.31%, 74.20% and 66.62%, respectively, of our total revenue from operations in such periods. As of June 30, 2015, we had been engaged on more than 100 Erection Works projects (completed and ongoing projects) across India and in four international jurisdictions, including two ultra-mega power projects (UMPPs) and 16 super-critical power projects with unit capacities ranging from 150 MW up to 800 MW. We also provide erection works services to gas and combined cycle power projects, heat recovery steam generator (HRSG), waste heat recovery boilers (WHRB), circulating fluidized bed combustion (CFBC) boilers, steam turbine generators (STG), electrostatic precipitators (ESPs), hydro turbines, BOP packages, including structural steel works, ash handling, coal handling, fuel oil systems and high-pressure piping works.

Operation and Maintenance Services. Our Operation and Maintenance Services business includes annual maintenance contracts (AMCs), other repairs, renovation and modernisation (R&M), residual life assessment (RLA), scheduled shutdowns, retro-fits, as well as overhauling, maintenance and upgradation services for power plants. Since commencement of our O&M business in 1999, we have been engaged on more than 400 O&M contracts as of June 30, 2015. We provide comprehensive O&M services, principally for power projects, in India and internationally. We have provided O&M services for various projects in the Middle East, North Africa, South Asia and South America. In fiscal 2012, 2013, 2014 and 2015, revenues from our O&M Services business was ₹ 424.37 million, ₹ 756.34 million, ₹ 1,388.71 million and ₹ 2,764.75 million, respectively, representing 6.02%, 8.08%, 11.57% and 20.24%, respectively, of our total revenue from operations in such periods. We are an AMC services provider for power plants in India and expect this business to grow significantly as a result of the significant increase in the installed base of IPPs in India in recent years. We carried out our first AMC project in 2004 and our revenue from AMC services was ₹ 47.93 million, ₹ 208.53 million, ₹ 595.16 million and ₹ 1,541.73 million in fiscal 2012, 2013, 2014 and 2015, respectively. As of June 30, 2015, we were engaged on 23 AMC services for power plants across India with an aggregate unit capacity of 32,835 MW. We carried out the overhauling of a super-critical 660 MW turbine and provided AMC services for an ultra-mega power project.

In order to provide comprehensive O&M solutions, we have entered into a joint venture agreement dated December 1, 2014, with Chengdu Pengrun New Energy Development Company Limited (Chengdu), a company registered under PRC laws, to establish a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. For further information, see *"History and Corporate Structure"* on Page 161. In addition, we are in the process of setting up a large heavy engineering facility at Noida for non-critical equipment and spare parts. We also have a

Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

Civil Works. Our Civil Works business commenced in fiscal 2011 and provides various civil and construction jobs for the main plant and BOP requirements including excavation, piling, concreting, architectural and building works. In fiscal 2012, 2013, 2014 and 2015, revenues from our Civil Works business was ₹ 697.23 million, ₹ 1,099.37 million, ₹ 1,659.45 million and ₹ 1,749.26 million, respectively, representing 9.89%, 11.75%, 13.83% and 12.80%, respectively, of our total revenue from operations in such periods.

In addition to our extensive experience on thermal power projects in India, we have, through our subsidiary Hydro Magus, increased our strategic focus on providing renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

Our aggregate Order Book as of March 31, 2015 was ₹ 34,062.68 million, comprising Order Book in the Erection Works, O&M Services and Civil Works businesses of ₹ 23,028.66 million, ₹ 5,904.28 million and ₹ 5,129.74 million, respectively. Our Order Book information is only indicative of future revenues and you should not place undue reliance on such information in making an investment decision. For further information on our Order Book, see *"Our Business - Order Book"* on Page 142.

We believe our significant experience and execution capabilities have enabled us to develop firm relationships with various private sector clients as well as public sector undertakings. We have established long-term relationships with various major EPC companies and power utilities. We have worked on various projects for Bharat Heavy Electricals Limited, NTPC Limited, Doosan Power Systems India Private Limited, Adani Power Limited, Larsen & Toubro Limited-Thermal Power Plant Construction BU, Thermal Powertech Corporation India Limited, GE Power Services (India) Private Limited, CLP India Private Limited, BGR Energy Systems Limited, Thermax Engineering Construction Co. Limited, SEW Infrastructure Limited, KSK – Arasmeta Captive Power Company Limited , KSK - VS Lignite Power Private Limited, KSK –Mahanadi Power Company Limited, Abir Infrastructure Private Limited, Siemens Limited, Jindal India Thermal Power Limited and Reliance Infrastructure Limited.

We have an established track record of executing ETC-BTG and BOP works, civil and structural works, and a wide range of maintenance services projects for large power plants including 800 MW unit capacity super-critical power plants. In fiscal 2015, we executed Erection Works contracts of aggregate tonnage of approximately 355,000 metric tonnes. According to the Central Electricity Authority, in fiscal 2011 through fiscal 2015, the aggregate thermal power plant capacity addition in India was approximately 88,048 MW. In the same period, we were engaged on ETC-BTG and BOP Works aggregating 33,801 MW..

In addition to our corporate headquarters in Hyderabad, we have established four regional offices across India, in Ghaziabad (NCR), Nagpur, Mumbai and Kolkata that enable us to effectively coordinate ongoing projects and customer relationships. In addition to our operations in India, we have also executed various international power projects in the Middle East, North Africa, South Asia and South America. In fiscal 2014 and 2015, 6.43% and 6.23%, of the Company's total revenue from operations (on a standalone basis) was generated from projects executed outside India. We continue to focus on expanding our international operations and have set up a branch office in Abu Dhabi to focus on power projects in the Middle East and Africa. In addition, we have also set up a branch in Bangladesh to execute an ETC-BTG works project. We also intend to leverage our experience and credentials in the power sector to expand our infrastructure related service offerings to projects in the petrochemicals, steel and cement industries.

We have developed a significant equipment base including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, boom placers, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment which enables us to quickly and effectively mobilise project works. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity.

As of June 30, 2015, we had 2,271 full time employees, of which a large number were qualified engineers. Our technically qualified and experienced employees enable us to effectively manage execution of projects. As of

June 30, 2015, we also employed 31,219 contract labourers.

We are committed to following stringent health, safety and environmental policies and practices in the execution of our projects and have received several awards and certifications for our operations and projects from our clients. We have also received quality certifications including, ISO 9001:2008 for quality management systems from International Certification Registrar Limited; OHSAS 18001:2007 from Absolute Quality Certification Private Limited and ISO 14001:2004 for environment management system from Absolute Quality Certification Private Limited. In addition, we have implemented the SAP ERP system at our corporate office and all our project sites enabling strong system control and real time monitoring of projects.

Between fiscal 2011 and 2015, our total income increased at a CAGR of 29.07% from ₹ 4,944.18 million in fiscal 2011 to ₹ 13,719.84 million in fiscal 2015. Our total income in fiscal 2012, 2013, 2014 and 2015 was ₹ 7,091.34 million, ₹ 9,404.12 million, ₹ 12,110.83 million and ₹ 13,719.84 million, respectively, while our profit after tax, as restated, in such periods was ₹ 524.10 million, ₹ 511.66 million, ₹ 680.95 million and ₹ 714.04 million, respectively.

Our Strengths

Integrated power infrastructure services providers with comprehensive service offering

We are an integrated power infrastructure services provider in India with a comprehensive service offering. We provide comprehensive ETC-BTG and BOP works, civil works and O&M services for power plants as well as other allied industries including petrochemicals, steel and cement. We also provide erection works services to gas and combined cycle power projects, HRSG, WHRB, CFBC boilers, steam turbine generators, steam generators including auxiliaries, ESPs, hydro turbines and BOP packages, including structural steel works, ash handling, coal handling, fuel oil systems and high-pressure piping works. In our Civil Works business, we provide civil and construction jobs for the main plant and BOP requirements including excavation, piling, concreting, architectural and building works. We also provide a comprehensive range of services in our O&M Services business, including annual maintenance contracts, other repairs, renovation and modernisation, residual life assessment, scheduled shutdowns, retro-fits, as well as overhauling, maintenance and upgradation services for power plants. In order to provide comprehensive O&M solutions, we entered into a joint venture agreement dated December 1, 2014, with Chengdu to incorporate a joint venture entity in Hong Kong for the manufacturing and marketing of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. For further information, see *"History and Corporate Structure"* on Page 161. In addition, we are in the process of setting up a heavy engineering facility at Noida for non-critical equipment and spare parts for power projects. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

In addition to our extensive experience working on thermal projects in India, our subsidiary Hydro Magus, provides renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

We believe that our comprehensive service offerings and established track record as an integrated power infrastructure services provider provide us with a significant competitive advantage.

Established track record

We have established a track record of successfully executing ETC-BTG and BOP contracts for large power projects including for 800 MW unit capacity super-critical projects. We have been engaged on ETC-BTG 134 projects for the first two ultra-mega power projects in India as well as for 16 super-critical power projects in India as of June 30, 2015. We carried out the overhauling of a super-critical 660 MW turbine and provided AMC services for an ultra-mega power project.

According to the Central Electricity Authority, in fiscal 2011 through fiscal 2015, the aggregate thermal power plant capacity addition in India was approximately 88,048 MW. In the same period, we were engaged on ETC-BTG and BOP Works aggregating 33,801 MW. In fiscal 2015, we executed Erection Works contracts of aggregate tonnage of approximately 355,000 metric tonnes. Since commencement of the O&M business in 1999, we have been engaged on more than 400 O&M contracts as of June 30, 2015. We provide AMC services for power plants in India. As of June 30, 2015, we were engaged on 23 AMC services contracts for power plants across India with an aggregate unit capacity of 32,835 MW. In addition to our operations in India, we have also executed various international power projects in the Middle East, North Africa, South Asia and South America.

Large Order Book

Our aggregate Order Book as of March 31, 2015 was ₹ 34,062.68 million, comprising Order Book in the Erection Works, O&M Services and Civil Works businesses of ₹ 23,028.66 million, ₹ 5,904.28 million and ₹ 5,129.74 million, respectively. The aggregate value of the Erection Order Book also includes certain suspended projects (i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control) aggregating ₹ 1,896.68 million. A total of ₹ 1,896.68 million of our erection works projects were suspended as on March 31, 2015. All of these suspended projects belong to the Erection Works business.

The following table sets forth certain information relating to our Order Book as of March 31, 2015:

	Estimated Order Book (₹ in million)	**Percentage of Estimated Total Order Book (%)**
Erection Works	23,028.66*	67.61%
O&M Services	5,904.28	17.33%
Civil Works	5,129.74	15.06%
Total	**34,062.68***	**100.00%**

* *Includes ₹1,896.68 million of estimated Erection Order Book related to suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control.*

The following table sets forth certain information relating to our Order Book as of March 31, 2015 divided into projects to be executed within India and outside India:

International	**Estimated Order Book (₹ in million)**	**Percentage of Estimated Total Order Book (%)**
Domestic*	28,477.69	83.60%
International	5,584.99	16.40%
Total	**34,062.68***	**100.00%**

**Includes ₹1,896.68 million of estimated Erection Order Book related to suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control.*

However, our Order Book information is only indicative of future revenues and you should not place undue reliance on such information in making an investment decision. For further information on our Order Book, see the sub-section titled *"Our Business - Order Book"* on Page 142.

Strong project execution capabilities

We believe that our large equipment base, technically qualified and experienced employee pool and strong project management systems and capabilities enable us to execute large, complex projects in India and internationally. As of June 30, 2015, we had been engaged on more than 100 Erection Works projects (completed and ongoing projects) across India and in four international jurisdictions, including on two ultra-mega power projects and 16 super-critical power projects with unit capacities ranging from 150 MW up to 800 MW. Since commencement of our O&M business in 1999, we have been engaged on more than 400 O&M contracts, including AMC service for an UMPP as of June 30, 2015.

We have a significant equipment base including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment which enables us to quickly and effectively mobilise project works. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity. In addition, we are in the process of setting up a heavy engineering facility at Noida for non-critical equipment and spare parts for power projects, such as structures, ducting, tanks, vessels, LP piping systems, chimneys and pressure parts. As of June 30, 2015, we had 2,271 full time employees, of which a large number were qualified engineers.

We have succeeded in compressing project milestone schedules through adoption of advanced project execution methodologies, such as strand-jack systems for heavy lifting, bulk lifting of electrodes, preassembly of condensers outside the turbine/generator hall, and single piece coal silos and scaffoldings for the entire furnace area. We have developed expertise in undertaking field rewinding of rotors and stators, which can significantly reduce downtime for power plants. Our strong project execution capabilities have enabled us to complete various large and complex projects well within the stipulated delivery timelines.

We believe that our large equipment asset base enabling rapid mobilization of high quality equipment and our technical expertise and project execution capabilities are significant competitive advantages that enable us to prequalify for, effectively evaluate and bid for, and win, contracts for large complex power projects. Our project review committee includes senior management to ensure effective project management. In addition, we have implemented the SAP ERP system at all our project sites, enabling effective systems control and real time monitoring of projects.

Long term relationships with clients

We have developed long term relationships with various Indian and international power utilities, governmental organizations and other power sector intermediaries. These clients include public sector undertakings and private sector clients. We have also established strong relationships with large EPC companies that operate in the power sector as well as other infrastructure and allied sectors. Our significant clients include Bharat Heavy Electricals Limited, NTPC Limited, Doosan Power Systems India Private Limited, Adani Power Limited, Larsen & Toubro Limited-Thermal Power Plant Construction BU, Thermal Powertech Corporation India Limited, GE Power Services (India) Private Limited, CLP India Private Limited, BGR Energy Systems Limited, Thermax Engineering Construction Co. Limited, SEW Infrastructure Limited, KSK – Arasmeta Captive Power Company Limited, KSK - VS Lignite Power Private Limited, KSK –Mahanadi Power Company Limited, Abir Infrastructure Private Limited, Siemens Limited and Reliance Infrastructure Limited. We believe that our long term relationships with various public sector and private sector clients in India and internationally enable us to better understand our clients‘ requirements and better evaluate the scope of work and risks involved in a project we bid for, as well as address changing demands in our target markets. We have also worked on various projects with companies like Thermax Engineering Construction Co. Limited and NTPC Limited for more than four years.

Robust financial performance

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Between fiscal 2011 and 2015, our total income increased at a CAGR of 29.07% from ₹ 4,944.18 million in fiscal 2011 to ₹ 13,719.84 million in fiscal 2015, while our profit after taxation, as restated, increased at a CAGR of 17.38% from ₹ 376.14 million in fiscal 2011 to ₹ 714.04 million in fiscal 2015.

The table below sets forth certain information about our revenue from operations in fiscal 2011, 2012, 2013, 2014 and 2015:

(*₹ in million*)

Particulars	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Contract Receipts					
Erection Works	4,543.31	5,878.46	7,421.35	8,906.18	9,102.04
O&M Services	269.43	424.37	756.34	1,388.71	2,764.75
Civil Works	102.99	697.23	1,099.37	1,659.45	1,749.26
Supplies of Goods	-	-	-	-	33.90
Other Operating Revenue					
Crane hire charges	2.41	50.48	80.89	48.37	12.28
Total Revenue from Operations	**4,918.14**	**7,050.54**	**9,357.95**	**12,002.71**	13,662.23

In fiscal 2012, 2013, 2014 and 2015, total revenue from operations was ₹ 7,050.54 million, ₹ 9,357.95 million, ₹ 12,002.71 million and ₹ 13,662.23 million, respectively, reflecting our robust operations. Our RONW for equity shareholders in fiscal 2012, 2013, 2014 and 2015 was 30.94%, 23.36%, 23.93% and 20.13%, respectively, while our ROCE was 33.56%, 25.25%, 27.63% and 21.73%, respectively. We have also had strong cash flows from operations and in fiscal 2012, 2013, 2014 and 2015, net cash from operating activities was ₹ 420.53 million, ₹ 180.66 million, ₹ 267.52 million and ₹ 38.58 million, respectively. As of March 31, 2014 our long term debt equity ratio was 0.20 while it was 0.20 as of March 31, 2015.

Our strong balance sheet and positive operating cash flows enable us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations. Our financial strength provides us a valuable competitive advantage in terms of access to bank guarantees and letters of credit, which are factors critical to our business.

Qualified and motivated employee base and proven management team

We believe that a motivated and empowered employee base is key to our operations and business strategy, and have developed a large skilled employee base with significant experience in ETC-BTG and BOP projects, civil works and O&M projects. As of June 30, 2015, we had 2,271 full time employees, including a large number of qualified engineers. In addition, we employ a large number of contract labour depending on the requirements of our various projects. As of June 30, 2015, we engaged 31,219 contract labour at our various project sites. We believe that the skills and diversity of our employee base enables us to quickly adapt to the specific technical needs of various projects and clients. We are also dedicated to the development of the expertise and know-how of our employees. Our personnel policies are aimed towards recruiting talented employees and facilitating their integration into the Company and encouraging development of their skills.

Our experienced management team has been responsible for the growth of our operations over the years. Our senior management through a project management committee provides effective and direct supervision for project implementation at our various project sites. Our Chairman and Managing Director, Mr. S Kishore Babu has several years of experience in the power sector and has developed our business and operations since inception. We believe that our experienced and dynamic senior management team has been a key to our success and will enable us to capitalize on future growth opportunities. For further information on our key managerial personnel who have contributed to our growth, see the section titled *"Our Management"* on Page 181.

Our Business Strategy

Consolidate leadership position in power infrastructure services sector in India

We continue to consolidate our leadership position as an integrated infrastructure services provider particularly focused on the power sector in India by strategically expanding our service offerings and targeting higher margin thermal and hydropower contracts where we have a competitive advantage as a result of our superior technical capabilities, track record and experience. We continue to focus on potential projects and service offerings, including longer term AMC contracts, where we believe we can be competitive and improve profitability.

In addition to the wide range of our service offerings, we continue to focus on developing integrated and comprehensive O&M solutions and have in this regard entered into a joint venture agreement with Chengdu to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. We are in the process of setting up a large heavy engineering facility at Noida for non-critical equipment and spare parts. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India. In addition to our extensive experience on thermal power projects in India, we have through our subsidiary Hydro Magus increased our strategic focus on providing renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

In selecting contractors for major projects, clients generally limit the tender to contractors (or sub-contractors) they have pre-qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. We continue to focus on further developing our pre-qualification status through client development efforts and entering into strategic joint partnerships and pre-bid arrangements with other service providers. We also continue to evaluate strategic consortium opportunities with large EPC companies, including international infrastructure service providers, with the resources, skills and strategies complementary to ours and likely to enhance our business opportunities.

Expand our international business

Historically although most of our revenues have been from projects executed in India, we have also executed several international power projects in the Middle East, North Africa, South Asia and South America. In fiscal 2014, revenue from projects executed outside India was ₹ 763.13 million, representing 6.43% of our Company‘s total revenues from operations (on a standalone basis) in such period. In fiscal 2015, revenue from projects executed outside India was ₹ 844.72 million, representing 6.23% of our Company‘s total revenues from operations (on a standalone basis) in such period. We continue to focus on identifying opportunities to bid for and win international projects, including through strategic partnerships with large EPC contractors and power utilities. We intend to leverage our experience and track record of working on complex power projects in India to increase our operations internationally, particularly in the Middle East, North Africa and South Asia. We have recently bid for projects in Bangladesh as well as in the Middle East and North Africa. We also continue to actively evaluate opportunities to bid for projects in Sri Lanka, Central Asia and South East Asia.

Leverage our experience and track record in the power infrastructure services sector to strategically diversify into allied infrastructure sectors

We intend to leverage our construction capabilities and our strong track record and experience in ETC-BTG and BOP works, civil and structural works and O&M services in the power sector to strategically diversify into other infrastructure and allied sectors including the petrochemicals, steel and cement industries.

We intend to focus on specific project segments and service offerings in these allied industries where we identify significant growth opportunities and competitive advantages. We believe that our strong technical and project execution capabilities, large equipment base and qualified and technically skilled employee pool will enable us to successfully win and execute projects in these other sectors. We believe that diversifying our service offerings into other infrastructure and allied sectors will enable us to further grow our business operations, reduce the risk of dependency on the power sector and strategically target higher margin opportunities.

Further grow our O&M services offerings and focus on higher margin AMC services

We believe that the significant increase in capacity addition of IPP projects in India and the aging of several large power plants in India will result in a significant increase in demand for our O&M Services business, particularly opportunities for AMCs as well as contracts for repairs, renovation and modernisation, residual life assessment, scheduled shutdowns, retro-fits, overhauling, maintenance and upgradation services for power plants. Revenue from our O&M Services business was ₹ 424.37 million, ₹ 756.34 million, ₹ 1,388.71 million and ₹ 2,764.75 million in fiscal 2012, 2013, 2014 and 2015, representing 6.02%, 8.08%, 11.57% and 20.24%, respectively, of our total revenue from operations in these periods. We have experienced a significant growth in our O&M Services business in recent years which grew at a CAGR of 59.76% between fiscal 2011 and fiscal 2015. We expect the relative proportion of revenue from O&M Services to increase in the future. In addition, the level of competition for O&M contracts are relatively lower than the Erection Works projects we bid for as large EPC contractors do not typically bid for such contracts and smaller engineering construction companies that compete with us have limited technical and financial resources. Further we carried out our first AMC project in 2004 and our revenue from AMC services was ₹ 47.93 million, ₹ 208.53 million, ₹ 595.16 million and ₹ 1,541.73 million in fiscal 2012, 2013, 2014 and 2015, respectively. We expect the relative proportion of our revenues from the O&M Services business to significantly increase in future as we increase our focus on relatively higher margin O&M contracts, particularly AMCs.

Provide integrated O&M solutions by entering into equipment and spare parts distribution arrangements and developing heavy engineering capabilities

We believe that there is significant potential for backward integration in our operations and intend to improve our engineering, machining and repair facilities for general engineering components and non-critical equipment used in power projects including spare parts. This is particularly important to our O&M Services business which involves provision of repair, overhauling and maintenance services including spare parts and general engineering components. In order to provide comprehensive O&M solutions, we have entered into a joint venture agreement with Chengdu to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India. We are in the process of setting up a heavy engineering facility in Noida for the manufacture of non-critical equipment, components and spare parts for power plants such as engineering structures, ducting, tanks, vessels, LP piping systems, chimneys and pressure parts. We believe that this will enable us to achieve backward integration for our operations in this business, develop integrated O&M solutions for our clients and seek to achieve economies of scale as well as higher operating margins. This will also enable us to reduce our dependency on third party engineering component manufacturers.

Enhance our construction capabilities and develop advanced project execution methodologies

We continue to enhance our construction and related capabilities in order to provide effective and comprehensive solutions and value added services for the power sector and bid for larger, more complex projects and target higher margin projects in the power and other infrastructure and allied sectors. We believe that further strengthening our technical capabilities and know how will also enable us to provide a wider service offering and offer comprehensive solutions. We continue to adopt advanced construction, erection and maintenance technologies and methodologies and develop advanced construction and project execution methodologies. The introduction of technologically advanced methodologies such as strand-jack systems for heavy lifting, bulk lifting of electrodes, block lifting of boiler components, preassembly of condensers outside the turbine/generator hall, and single piece coal silos and scaffoldings for the entire furnace area have enabled us to successfully execute complex projects within compressed delivery schedules, reduce costs and improve operating margins. We continue to evaluate opportunities to acquire and implement advanced engineering technology capabilities through strategic partnerships and acquisitions.

Our Business Operations

Erection Works

We commenced our Erection Works business in 2003, and have been engaged on more than 100 Erection Works projects to date. As of June 30, 2015, we were involved in over 100 Erection Works contracts. The aggregate Order Book for our Erection Services business as of March 31, 2015 was ₹ 23,028.66 million. For further information on our Order Book, see the sub-section titled *"Our Business – Order Book"* on Page 142.

We provide ETC-BTG and BOP works for power plants including ultra-mega power plants (UMPPs) and super-critical power plants with unit capacities ranging from 150 MW to 800 MW. We also provide erection works services to gas and combined cycle power projects, HRSG, WHRB, CFBC boilers, steam turbine generators, steam generators including auxiliaries, ESPs, hydro turbines and BOP packages, including structural steel works, ash handling, coal handling, fuel oil systems and high-pressure piping works.

Revenue from our Erection Works business in fiscal 2012, 2013, 2014 and 2015, was ₹ 5,878.46 million, ₹ 7,421.35 million, ₹ 8,906.18 million and ₹ 9,102.04 million, respectively, and contributed 83.38%, 79.31%, 74.20% and 66.62%, respectively, of our total revenue from operations in such periods.

Boiler, Turbine and Generator (BTG)

The following table sets forth information relating to certain significant projects executed by us:

Description of Project/ Contract	**Scope of Work**	**Customer**	**Owner**
Mundra UMPP (5x800 MW)	3 boilers; 3 turbine auxiliaries	Doosan Power Systems India Private Limited	Coastal Gujarat Power Limited
Sasan UMPP (6x660 MW)	Mechanical erection, testing and assistance in commissioning, trial run and performance guarantee (PG) tests for boiler proper, electro-static precipitator (ESP) with non-pressure parts, rotating equipment, critical piping and steam turbine generator auxiliaries for 4 units of 660 MW	Reliance Infrastructure Limited	Sasan Power Limited
Jhajjar TPP (2x660 MW)	1 boiler	Shandong Tiejun Electric	CLP India Private Limited

Description of Project/ Contract	Scope of Work	Customer	Owner
		Power Engineering Company Limited	
Mangalore TPP (2x600 MW)	2 boiler; 2 steam turbine generators	Lanco Infratech Limited	Udupi Power Corporation Limited
Mejia (2x 500 MW)	1 boiler turbine; piping	Bharat Heavy Electricals Limited	Damodar Valley Corporation

The following table sets forth certain information relating to significant ETC-BTG projects that we were engaged on as of June 30, 2015:

Description of Project/ Contract	Scope of Work	Customer	Owner
Solapur (2x660 MW)	2 boilers	BGR Energy Systems Limited	NTPC Limited
Suratgarh (2x660 MW)	2 boiler	Bharat Heavy Electricals Limited (Power Sector Eastern Region PSER)	Rajasthan Rajya Vidyut Utpadan Nigam Limited
Krishnapatnam (2x660 MW)	2 boiler	BGR Energy Systems Limited	Thermal Powertech Corporation (I) Limited – joint venture between Gayatri Energy Venture Private Limited and Singapore based Sembcorp Utilities Pte. Limited, a subsidiary of Sembcorp Industries Limited
Raichur (2x800 MW)	1 boiler; electrostatic precipitator	Bharat Heavy Electricals Limited (Power Sector Southern Region PSSR)	Karnataka Power Corporation Limited
Kudgi (3x800 MW)	1 boiler and BOP equipment work	Doosan Power Systems India Private Limited	NTPC Limited
Nabinagar (3x660 MW)	2 boilers and bunker structures	Bharat Heavy Electricals Limited (Power Sector Eastern Region PSER))	Nabinagar Power Generating Company Private Limited
Shuqaiq steam power plant	Boilers and auxillary equipment	MM Al Quraishi Contracting Company	Hyundai Heavy Industries /Saudi Electricity Company
Raghunathpur (2x660 MW)	Steam Generator Package consisting of Boiler Packages at Unit I & II, boiler auxiliaries, power cycle piping etc.	M/s BGR Energy Systems Ltd.	Damodar Valley Corporation
Neyveli (2x550 MW)	Erection, testing and assistance for commissioning and trial operation.	Bharat Heavy Electricals Limited (Power Sector Southern Region PSSR)	Neyveli New Thermal Power Project

The nature and scope of our Erection Works contracts in relation to boilers, turbines and generators depend on the terms of the contracts and typically include the following services:

Coal Fired Boiler

The coal fired boiler is a combination of different systems combined to create a combustion chamber for the continuous production of steam at a rated pressure, temperature and quantity. Our erection services also include ensuring quality and safety measures in the installation and operation of boilers. All high pressure welding joints are tested, certified and the erection works undertaken is subjected to inspection by inspection agencies.

Structures

Heavy erection materials are transported from the stacking yard to the relevant work sites. The scope of work also typically includes the preassembly, fabrication and erection of columns in their positions on foundation and the development of the structures with side beams.

Pressure Parts

Our work includes preassembly of pressure parts, water walls, economizers, superheating coils and safety valves. We are required to lift, position, align and weld these parts as part of the structure, and also prepare the ends of pressure parts piping, weld, conduct non-destructive tests (NDT) and lay them in position and provide special supports in order to enable the parts to withstand heat, pressure, temperature and vibration. The system is then subjected hydro-tests in the presence of our clients and the relevant inspection agencies.

Air Systems

Our work includes ducting, connecting the furnace and the chimney and providing a draft generated by various fans at different points of the application to induce draft and evacuation of air. The ducting consists of both hot-air and cold-air paths with multiple passes. The work carried out by us involves prefabrication, lifting, aligning, positioning and connecting of the parts comprising the air system. In addition, the ducts are also tested for air leakage prior to commencement of operations.

Fuel Oil Systems

Furnace oil is used for initial firing and the stability of flames from which an oil system is in a position to feed, circulate and return at a rated pressure, temperature and quantity. The work carried out by us involves the prefabrication of piping, welding, testing of weld joints, laying and providing supports and hydro-testing of the system before commissioning.

Coal Systems

Coal is transported through conveyor belts from the coal yard, and is then crushed, stored in bunkers and pulverized at the coal-mills and drawn to the system through a draft created by primary fans and fed into the furnaces through blowers and nozzles. The work carried out by us consists of erection of bowl-mill on their beds with all their accessories, connecting the duct for feeding the coal, feeding hot air and drawing the pulverized coal from the bowl and leading it to the furnace through the ducting, blowers and nozzles. The system also needs to be given support and checked for air leakage before commissioning.

Disposal Systems

Boilers in the power plants produce ash and polluted air (such as carbon dioxide) and such products are required to be evacuated safely. The ash is disposed off through silos and transported by trucks to industries such as cement and brick. The ash is also disposed off in water at an ash-dyke (ash handling system).

Electrostatic Precipitators (ESP)

The ESP is a unit consisting of multiple passes that carry ash and hot air from the boiler furnace and here the ash is separated and collected to be transported for disposal either through silos or ash dykes. The work carried out by us for ESPs consists of erection of ESP columns and structures, fabrication and erection of the housing of ESP, insertion of thousands of plate-electrodes, fixing of exit transformers, providing insulators, hoppers, water circulation system and disposal pipes to silo plant and the dykes. The work carried out by us in relation to a silo plant consists of fabrication and erection of silo units, ducts, columns, platforms, fans, supports, position welding, testing the joints and air leakage tests. Thereby polluted air and smoke are drawn through induced draft fans and let out through the chimney. The work carried out by us consists of erection of fans, ducting, supports and testing.

Turbines and Generators

The turbo generator is one of the most significant components of the power plant. The steam from the boiler is fed into the turbine blades in two/three stages - high pressure, medium pressure and low pressure. In order to maintain the temperature, the steam is reheated after the high pressure stage. The generator, together with the turbine, generates power at rated cycle and voltage. The steam is then drawn to the condenser through the vacuum, cooled inside the condenser and the water is circulated again to the boiler for re-use. The work carried out by us involves, erection, testing and commissioning of turbines, condensers, high pressure and low pressure heaters, feed water pumps, de-aerators, condensate pumps, critical piping, cooling water inlets and outlets and protective devices. All equipment have to be aligned correctly and this is an important aspect of turbine erection.

High quality workmanship is required for turbo-generator works. The piping includes high pressure steam pipes, return lines, reheating lines, oil lines, water feed lines and instrumentation lines. All high pressure joints are required to be subjected to NDT and checking. Turbine and generator erection requires precision and is required to be carried out under strict supervision by highly skilled technicians and experienced engineers. Since the unit weight of turbine generators are heavy, special arrangements such as strand-jack methods are used in most cases for the lifting of heavy components.

Gas/Combined Cycle Power Projects

Combined cycle power plants form an integral part of various industries such as petrochemicals, cement and steel.

The following table sets forth information relating to certain significant gas/combined cycle power projects executed by us:

Description of Project/ Contract	Scope of Work	Customer	Owner
IOCL – Panipat	Gas turbine generator	Bharat Heavy Electricals Limited PSNR	Indian Oil Corporation Limited
Western Mountain Gas Turbine Extension Power Station, Libya	Gas turbine generator; auxiliaries	Bharat Heavy Electricals Limited PSNR	General Electricity Company Of Libya
Paltana CCPP	Gas turbine generator, Steam turbine generator, Heat recovery steam generator, Piping & Auxiliaries	BHEL – Power Sector Eastern Region	ONGC Tripura Power Corporation

As of June 30, 2015, we were engaged on the following significant gas/ combined cycle power projects:

Description of Project/ Contract	Scope of Work	Customer	Owner
Monarchak	Steam turbine generator; gas turbine generator; heat recovery steam generator	NTPC-BHEL Power Projects Limited	North Eastern Electric Power Corporation Limited
Dahej	Heat recovery steam generator, gas turbine generator; steam turbine generator	Bharat Heavy Electricals Limited (Power Sector Western Region PSWR)	ONGC Petro Additions Limited
Paradip	Civil, structural and architectural works; placement of gas turbine and gas turbine generator; steam turbine generator	Simplex Infrastructures Limited, Bharat Heavy Electricals Limited (Power Sector Eastern Region PSER)	Indian Oil Corporation Limited
Marib – Phase II	Gas turbine generator-civil, structural and architectural works; gas turbine generator - mechanical	Public Electricity Corporation – Yemen	Public Electricity Corporation – Yemen
Mangalore	Heat recovery steam generator and utility boilers	Bharat Heavy Electricals Limited	Mangalore Refinery and Petrochemicals Limited

Balance of Plants (BOP)

Balance of plants is a specialised area in the execution of power projects. We have carried out BOP projects for oil handling systems, coal handling plants, cooling water systems and de-mineralization plants. The following table sets forth certain information about significant projects we have executed for BOP related works:

Description of Project/ Contract	Scope of Work	Customer	Owner
Jharsuguda (600 MW)	Coal handling plant	SEPCO III	Sterlite Energy Private Limited
Mejia (500 MW)	Coal handling plant	ELECON Engineering Company Limited	Damodar Valley Corporation
Mundra UMPP (800 MW)	Electrostatic precipitator and	Doosan Power Systems	Coastal Gujarat Power

Description of Project/ Contract	Scope of Work	Customer	Owner
	fuel oil system at 3 units	India Private Limited	Limited (TATA)

The following table sets forth certain information relating to significant BOP projects that we were engaged on as of June 30, 2015:

Description of Project/ Contract	Scope of work	Customer	Owner
Sasan UMPP (6x660 MW)	Erection, testing and commissioning of structure (part scope) in coal handling plant for 3 units our of 6 units	Reliance Infrastructure Limited	Sasan Power Limited
Singatarai (600 MW)	Coal handling plant including supply of material	ABIR infrastructure Private Limited	Athena Chhattisgarh Power Limited
Talwandi (660 MW)	BOP works (ash handling plant and coal handling plant)	SEPCO I	Talwandi Sabo Power Limited
Raichur (2x800MW)	Coal Handling Plant	BHEL – Industrial Systems Group	Raichur Power Corporation Limited

Key works relating to BOP projects include:

Coal Handling Plants

The coal handling plant is a system that receives coal in wagons which is fed into crushers, moved to the stock yard and finally to the bunkers of the power plant. Coal is fed into the conveyor system through a stacker re-claimer and the coal travels through the conveyor belt and reaches a bunker where it is temporarily stored to be drawn to the mills for pulverizing. This system requires structures, coal conveyor belts, hoppers at various stages to turn the direction, safety protections, motors and gears. The erection work carried out by us includes elevated structures, tunnel structures, belt conveyors, drums, motors and gears for coal handling plants.

Water Treatment Plants

The boiler requires de-mineralized water to avoid scaling and related effects. This requires the water used to be treated with acids and alkalis to remove impurities. The treated water is then stored in tanks to be fed to the boiler as the level depletes. The erection of water treatment plant structures executed by us includes water tanks, piping, cat-ion and an-ion beds, acid tanks and de-aerating units. These systems and tanks are hydro-tested before commissioning and a special coat of paint is applied.

Oil Handling Plants

Furnace oil is used at rated pressure and temperature for initial firing and also for stabilizing the furnace flames. This system includes storage oil tanks, suction lines from the lorry/wagon, oil pumps, filters, heating station and return line. The work carried out by us consists of erection, hydro-testing, providing supports, transfer lines and structure.

Cooling Water Pump House

The steam fed into the turbine is required to be reclaimed and therefore the steam is cooled in the condenser fitted below the turbine and the water collected in the condenser is again fed into the boiler. This system consists of heavy cooling water pumps, shutters, filters, large diameter pipes and outlet pipes. In plants where cooling towers are involved, the system includes cooling towers, cooling fans and circulating pumps.

Ash Handling Plant

The by product or waste from the boiler is ash. This ash is collected from the ESP and mixed with water and pumped to the ash pond where the ash is again separated and disposed off. The system includes inlet and outlet piping and ash slurry pumps.

Fire Protection System

The system includes a network of piping to cover entire plant area and buildings, fire-pumps, sprinklers and sprayers to cover oil tanks, transformer conveyors and cable galleries.

Operation and Maintenance (O&M) Services

Our Operation and Maintenance (O&M) Services business includes annual maintenance contracts ("AMCs"), other repairs, renovation and modernisation, residual life assessment, scheduled shutdowns, retro-fits, as well as overhauling, maintenance and upgradation services for power plants. We provide comprehensive O&M services, principally for power projects, in India and internationally. We have provided O&M services for various projects in the Middle East, North Africa, South Asia and South America. Since commencement of the O&M business in 1999, we have been engaged on more than 400 O&M contracts.

We are AMC services providers for power plants in India and expect this business to grow significantly as a result of the significant increase in the installed base of IPPs in India in recent years. As of June 30, 2015, we were engaged on 23 AMC services for power plants across India with an aggregate unit capacity of 32,835 MW. We also intend to leverage our experience in providing overhauling and maintenance services to power plants in order to provide similar services to petrochemicals and oil and gas sector projects in India and other jurisdictions, including in the Middle East.

In order to expand our AMC business, we continue to strengthen our relationships with BTG vendors, particularly BTG manufacturers in China, to provide maintenance services for projects where such vendors have provided critical equipment. In order to provide comprehensive O&M solutions, we have entered into a joint venture agreement with Chengdu to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

In addition, we are in the process of setting up a large heavy engineering facility at Noida for non-critical equipment and spare parts for power projects.

Our revenue from O&M business in fiscal 2012, 2013, 2014 and 2015, was ₹ 424.37 million, ₹ 756.34 million, ₹ 1,388.71 million and ₹ 2,764.75 million, respectively, and represented 6.02%, 8.08%, 11.57% and 20.24%, respectively, of our total revenue from operations in such periods.

Annual Maintenance Contracts (AMCs)

We undertake annual maintenance contracts for power plants including UMPPs and super-critical power plants. Undertaking comprehensive AMC services for the entire plant enables us to ensure effective coordination, minimise costs and increase economies of scale.

As of June 30, 2015, we were engaged on 23 power plants across India with an aggregate unit capacity of 32,835MW. Some of these contracts are repeat contracts from previous years. For example, we have provided AMC services for the 655 MW Paguthan power plant for CLP India Private Limited since 2004.

The following table sets forth certain information relating to significant AMC projects that we have undertaken:

Description of Project/ Contract	Scope of Work	Customer
Mundra (5x800 MW)	BTG – (Mechanical, Control &Instrumentation)	Coastal Gujarat Power Limited
Mundra (4x330 MW and 5x660 MW)	BTG and BOP works; ash handling plant – mechanical/electrical and Control &Instrumentation	Adani Power Limited
Tiroda (5x660 MW)	Turbine, generator and BOP works – mechanical	Adani Power Maharashtra Limited
Sasan (6x660 MW)	Boiler – mechanical; Turbine – mechanical	Sasan Power Limited- Reliance Power Limited
Rajpura (2x700 MW)	BTG and BOP works (mechanical, electrical and Control & Instrumentation)	Larsen and Toubro Group

Description of Project/ Contract	Scope of Work	Customer
Kawai (2x660 MW)	BTG and BOP works; ash handling plant – mechanical	Adani Power Rajasthan Limited
Nigrie (2x660MW)	Field operations and maintenance for mechancial, electrical and instrumentation work of BTG & BOP Equipment	Jaiprakash Power Ventures Limited

Other O&M Services

We have executed several major overhauling projects for power plants in India. We believe we are one of a select few companies to provide overhauling and maintenance services to a UMPP in India. In addition, as of June 30, 2015, we had provided overhauling and maintenance services to more than 400 steam, gas and hydro turbine units as well as for a 1,000 MW nuclear power turbine unit.

The following table sets forth certain information relating to other significant O&M Services contracts we have undertaken in the past:

Description of Project/ Contract	Scope of Work	Customer	Owner
Satpura TPS (210 MW)	Overhauling and services of boiler and auxiliaries at unit number 7	Bharat Heavy Electricals Limited Nagpur	Lanco Infratech Limited
Lanco-Anpara TPS (600 MW)	Overhauling of boiler (non-pressure parts) and Air Pre Heater	Lanco Infratech Limited	Lanco Infratech Limited
Tata – Trombay (500 MW)	Major overhauling of power plant	Seimens Limited	Tata Power Limited-Trombay

Other significant O&M Services contracts that we were engaged on as of June 30, 2015 include:

Description of Project/ Contract	Scope of Work	Customer	Owner
Bandel TPS (210 MW)	Renovation and maintenance of boiler and electrostatic precipitator package	Doosan Power Systems India Private Limited	Bandel Thermal Power Station
Barauni TPS (110 MW)	Renovation and maintenance of turbine and auxiliaries	Bharat Heavy Electricals Limited – Patna	Barauni Thermal Power station

Civil Works

We commenced our Civil Works business in fiscal 2011 as to complement our Erection Works business. Our projects in the Civil Works business include various civil and structural works contracts that are ancillary to our ETC-BTG projects. Revenue from our Civil Works business was ₹ 697.23 million, ₹ 1,099.37 million, ₹ 1,659.45 million and ₹ 1,749.26 million in fiscal 2012, 2013, 2014 and 2015, representing 9.89%, 11.75%, 13.83% and 12.80%, respectively, of our total revenues from operations in such periods.

In this segment we undertake a variety of civil and structural works such as area grading, levelling, excavation, piling, mass concreting foundations for buildings, turbine/generator decks and super-structures, fabrication and erection of structures, main plant bay etc. We service the entire power industry, including coal and gas based power projects, renewable energy projects, petrochemical projects, nuclear power projects of up to 800 MW in capacity and oil and gas refineries both in India and internationally. We are able to provide the entire range of civil and structural works required for power projects including:

- mass excavation, back filling, compacting, area grading and levelling using heavy duty field machinery equipment and large manpower;
- piling including *in situ* piling up to any diameter using piling rigs and hydraulic drilling machines;
- foundation for rotating parts, power house building structures, raft foundation for turbine generators, cooling water pump houses, boiler, coal mills and other auxiliary buildings including structural and architectural works;
- turbine generator deck castings and gas turbine generator foundation;
- comprehensive civil works package for boilers, turbines and generators;

- power house structures, bunker bay structures, ESP structures including fabrication, assembly and erection and providing concrete structural works at higher elevation;
- mass concrete structural works using batching plants, concrete mixtures, concrete pumps, boom placers and transit mixtures;
- civil works for service buildings, staff quarters, labour colony as well as internal service roads;
- pipe racks structures; and
- architectural works required for power plants and control rooms including cladding, flooring, painting, water proofing, false ceiling, doors and window works.

The following table sets forth certain information for significant projects for which we have been engaged to execute civil and structural works:

Description of Project/ Contract	Customer	Owner
Marib- Yemen	Bharat Heavy Electricals Limited – PSNR	Public Electricity Corporation, Yemen
Suratgarh P3 Thermal Power Plant	Bharat Heavy Electricals Limited-PSER	Rajasthan Rajya Vidyut Utpadan Nigam Limited
Unchahar	NTPC-BHEL Power Projects Limited (NBPPL)	National Thermal Power Corporation
Kothagudem Thermal Power Station Stage VII	Bharat Heavy Electricals Limited - PSSR	Telangana State Power Generation Corporation Limited
Banharpalli, IB Thermal Power Station	Bharat Heavy Electricals Limited-PSER	Odisha Power Generation Corporation Limited

Hydro Magus

In addition to our extensive experience on thermal power projects in India, we have through our subsidiary Hydro Magus increased our strategic focus on providing renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and synchronous hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We believe that we can effectively leverage our significant experience in thermal power projects to target the growth in hydropower projects in India and internationally. In 2012 we established our subsidiary Hydro Magus Private Limited to specifically target hydropower projects.

Through Hydro Magus, we provide comprehensive project development and maintenance services including:

- engineering design, supply, erection and commissioning of new hydropower projects up to 330 MW capacity, involving electro-mechanical and hydro-mechanical packages;
- renovation, modernization and upgradation and uprating of existing aged hydropower plants including reverse engineering, supply, erection, commissioning works.
- capital and annual overhauling works for existing hydropower plants including AMCs and spare part management;
- provision of residual life assessment and uprating studies for existing hydropower plants; and
- repair and maintenance of components used in hydropower projects.

The following table sets forth certain information relating to some significant contracts Hydro Magus has undertaken in the past:

CUSTOMER NAME	NATURE OF WORK
GVK- Alakananda Hydro Electric Power Corporation Limited	Total rehabilitation work for unit I, unit II and unit II of 330 MW Srinagar hydro electric project of three 82.5 francis turbine based turbine generator sets and other associated equipment.
Jammu and Kashmir State Power Development corporation	Rehabilitation of unit 1 at Upper Sindh stage II hydro electric power project
North Eastern Electric Power Corporation Limited	Major overhauling and repair of underwater parts of 1x25 MW Kopili stage II unit
Uttarakhand Jal Vidyut Nigam Limited	Rehabilitation of unit 2 at Dhakrani hydro electric power project

Other significant contracts Hydro Magus was engaged on as of June 30, 2015 include the following:

CUSTOMER NAME	NATURE OF WORK
Uttarakhand Jal Vidyut Nigam Limited	Major overhauling of unit B of Dhalipur power station
Jammu and Kashmir Power Development Department	Renovation, modernisation and upgradation of unit II of 3x35 MW Lower Jhellum hydel project, Baramulla along with essential spares required
North Eastern Electric Power Corporation Limited	Repair of butterfly valves of Khandong power station
North Eastern Electric Power Corporation Limited	Hydro mechanical works at Kopili power station

Order Book

Our Order Book as of a particular date comprises estimated revenues from (i) the unexecuted portions of existing contracts as of such date; (ii) contracts for which definitive agreements have been executed; and (iii) contracts for which letters of intent/ award have been issued by the client, although definitive agreements have not yet been executed as of such date. Our Order Book includes estimated revenues from certain contracts that have been suspended, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control.

Our Order Book, the likelihood of the completion of contracts reflected in our Order Book and the period over which such contracts are likely to be executed (and revenues realized), may vary significantly based on the nature of the project, terms of the contract, stage of completion, as well as resulting from various factors affecting completion of such contracts. Many of these factors may be beyond our control. There can be no assurance that our Order Book as of any particular date will be realized in its entirety or at all. Our Order Book information included in this Red Herring Prospectus is therefore only indicative of our future revenues and does not reflect our future results of operations and investors should not place undue reliance on such information in making their investment decision. For further discussion on various factors that may affect the execution of our projects and consequently the realization of our Order Book, see the sub-section *“Risk Factors- Our Order Book does not represent our future revenues and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations”* beginning on Page 16 and the sub-section titled *“Management's Discussion and Analysis of our Financial Condition and Results of Operations – Principal Factors Affecting Our Results of Operations”* beginning on Page 365.

The following table sets forth certain information relating to our Order Book as of March 31, 2015:

Particulars	**Estimated Order Book (₹ in million)**	**Percentage of Estimated Total Order Book (%)**
Erection Works	23,028.66*	67.61
O&M Services	5,904.28	17.33
Civil Works	5,129.74	15.06
Total	**34,062.68***	**100.00%**

**Includes ₹ 1,896.68 million of estimated Erection Order Book related to suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control. A total of 4 of our projects were suspended as on March 31, 2015.*

The following table sets forth certain information relating to our Order Book as of March 31, 2015 divided into projects executed within India and outside India:

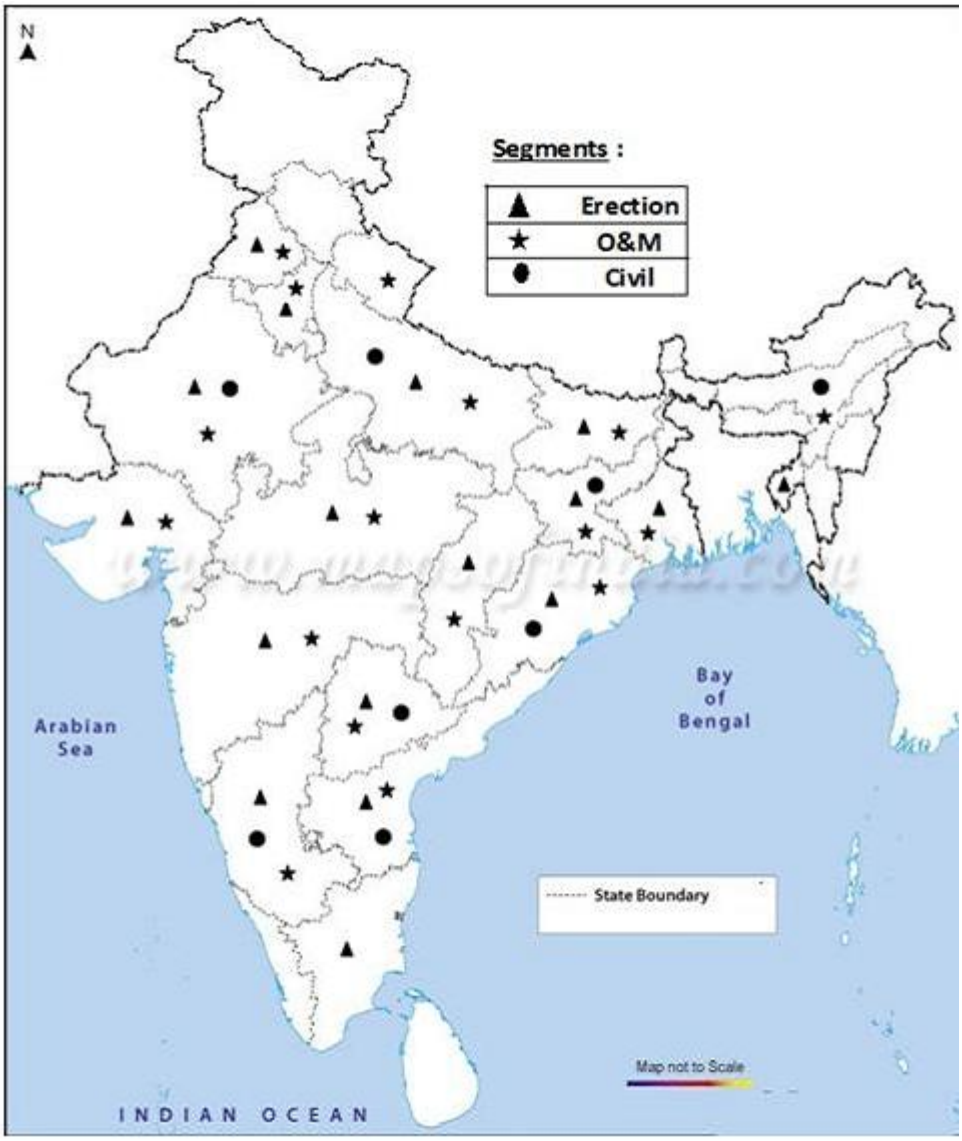
Domestic/ International	**Estimated Order Book (₹ in million)**	**Percentage of Estimated Total Order Book (%)**
Domestic*	28,477.69	83.60
International	5,584.99	16.40
Total	**34,062.68***	**100.00%**

**Includes ` 1,896.68 million of estimated Erection Order Book related to suspended projects, i.e. contracts on which no operations have been conducted for a period exceeding six months because of various factors beyond our control. A total of 4 of our projects were suspended as on March 31, 2015.*

The following table sets forth certain information on the top five contracts that represent our Order Book as of March 31, 2015:

Contract/ Project	Estimated Order Book (₹ in million)	Percentage of Estimated Total Order Book (%)	Aggregate revenues until March 31, 2015 (including uncertified revenue) (₹ in million)
Shuqaiq Steam Power Plant	2,438.73	7.16	0.00
Nabinagar (3x660 MW) - Boiler and BBs package	2,041.71	5.99	62.72
Marib – Yemen (4x100 MW)	1,414.89	4.15	1,202.56
Avantha	1,349.50	3.96	93.50
Nigrie (2x660 MW)	1,246.68	3.66	55.71
Total	8,491.51	24.93	1,414.49

The following map sets forth the location of various projects included in our Order Book as of March 31, 2015:



In addition to our order book details above, we have been awarded certain letter of intents or contracts in significant projects, post March 31, 2015, as set out in the following table:

Project Name	Estimated Contract Value
Kothagudem Thermal Power Station Stage VII	₹ 1,273.66 million
Jharsuguda Thermal Power Plant	₹ 4,220.37 million

Project Tenders

ETC-BTG projects, overhauling and maintenance projects and civil and construction works contracts in the power sector are typically awarded through a competitive bidding process. In case of public sector clients, we are required to comply with a detailed government public tender process (in case we are the primary contractor) that involves a technical capability evaluation as well as a financial bid. We also bid for sub-contractor roles in which case we are responsible for only specified services or segments of the entire project and must also comply with the terms entered agreed between the primary contractor and the client. Private sector clients also follow a similar competitive bidding process. We typically compete with Indian and international competitors for our targeted projects. International projects are also generally granted on a competitive bidding basis.

We typically bid for projects as the sole contractor of a particular component of the project, with full responsibility for that area of the project, including, if required, the selection and supervision of the subcontractors.

On certain larger or more technically complex projects, we may participate in consortium arrangements with other contracting, engineering and construction companies to share risks and combine financial, technical and other resources. Typically, we would seek one or more consortium partners when a project requires local content, equipment, manpower or other resources beyond those we have available to complete work in a timely and efficient manner or when we wish to share risk on a particularly large project. In such consortium projects, each member of the consortium shares the risks and revenues of the project, in accordance with predetermined terms. Such arrangements typically identify the specific scope of work and portion of the contract to be performed by each party, procedures for managing such operations and the consortium arrangement, the manner in which any profits or losses are required to be allocated, the equipment, personnel or other assets that each party will make available to the consortium and the method by which any disputes will be resolved. Such consortium arrangements typically impose individual and several liabilities on the partners, which is generally contractually limited to the scope of work allocated to the respective party.

Prequalification

Pre-qualification is key to our winning major projects and we continue to develop on our pre-qualification status through focused client development efforts and entering into strategic consortium arrangements and pre-bid arrangements with other service providers. In selecting contractors for major projects, clients generally limit the tender to contractors (or sub-contractors) they have pre-qualified based on several criteria including experience, technical and technological capacity and experience, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. However, price competitiveness of the bid is typically one of the most important selection criterions.

We have over the years developed strong relationships with various public sector and private sector clients in India. We believe this enables us to better understand our clients‘ requirements and better evaluate the scope of work in a project we bid for. Our marketing and contracts teams are in charge of our marketing and commercial activities. Until the final selection, negotiations continue with the client on matters such as specific engineering and performance parameters, the construction schedule and financials and other contractual terms and conditions. We cannot predict with any degree of certainty the frequency, timing or location of new contract awards.

Lump-sum Price Contracts and Item Rate Contracts

We typically enter into lump-sum price contracts or item rate contracts depending on the nature of work involved and the contract terms stipulated by the client. Under a lump-sum price contract, we agree on the price for the entire project, based upon specific assumptions and scope of work agreed. In an item rate contract, we agree on the price for each unit of work performed.

In the Erection Works business, most of our gas and steam turbine contracts are lump-sum price contracts while most of our boiler and other structural works are typically item rate contracts. Our Civil Works contracts are also typically item rate contracts. In the O&M Services business, AMC services are usually item rate contracts, while other O&M contracts are usually a combination of lump-sum price and item rate contracts.

In our lump-sum price contracts or item rate contracts, any changes to the initial scope of work or services agreed are usually defined through change orders agreed by both parties. Such changes in the scope of work or service items may affect our revenues and results of operations either positively or negatively, based on the terms agreed. Many of our lump-sum price and item rate contracts are also subject to price variations based on specific contract terms agreed.

Almost all of our Erection Works and Civil Works contracts as well as O&M Services contracts require us to meet strict project milestones and completion schedules and we may be liable to pay liquidated damages in the event such schedules are not met, other than in circumstances that are beyond our control as stipulated in the relevant contract terms. Our contracts typically stipulate liquidated damages ranging between 0.5% and 10% of the contract value, subject to terms of the relevant contract.

Project Execution

Our Erection Works and Civil Works projects, as well as our O&M Services (other than AMCs) projects typically involve mobilization and construction of basic project management and execution resources such as site offices, stores, workers colony, staff quarters and mess, as well as relevant equipment and machinery depending on the scope of work involved. We also develop a comprehensive project execution plan, including detailed erection, construction, material procurement and installation, as well as testing and commissioning.

Following the finalization of the project plan and implementation schedule, and the procurement and mobilization of equipment and resources, the erection and construction work is commenced. The execution of such erection and construction includes fabrication and erection of columns, piping, ducts, pressure parts, rotating parts, welding, non-destructive testing, safety precautions, turbine and auxiliaries, generators and BOP such as oil handling plants, ash handling plants, water treatment plants, raw water plants, cooling water plants, fire protection systems and coal handling plants.

Construction Equipment

We have over the years developed a significant equipment base that we use in our operations. We also lease relevant heavy equipment and machinery as required for specific requirements of a project and the relevant project implementation schedule. Our equipment base includes material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, boom placers, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity.

We continue to expand our equipment base, and productive equipment asset management is a critical element in service delivery. We believe that our strategic investment in equipment assets provides us with a competitive advantage as it enables rapid mobilization of high quality equipment thereby reducing project execution time, particularly when it involves power projects in remote areas. Our equipment base is managed and maintained by qualified professionals and all equipment is subject to scheduled maintenance to maximize fleet readiness. We have over the years also established strong relationships with heavy equipment providers and sub-contractors we involve in our Erection Works and Civil Works projects.

Employees and Contract Labour

We believe that a motivated and empowered employee base is key to our operations and business strategy, and have developed a large pool of skilled and experienced personnel. As of June 30, 2015, we had 2,271 full time employees, of which a large number were qualified engineers. Our skilled technicians have significant experience in construction and engineering operations in the power sector in India. Our employee policies aim to recruit a talented and qualified work force, facilitate their integration and encourage development of their skills in order to facilitate the growth of our operations. We are also committed to an empowering environment that motivates and facilitates growth and rewards contribution. Various welfare measures have also been implemented by our employee association including provision of medical and health benefits to our employees and families, financial assistance in case of permanent disabilities, deaths and other accidents, as well as general welfare of our employees. Our employees are not affiliated to any trade union.

We also engage a large number of contract labour depending on the requirements of more labour-intensive projects particularly in the Erection Works and Civil Works contracts. As of June 30, 2015, we engaged 31,219 contract labour at our various project sites. The number of contract labourers vary from time to time based on the nature and extent of work involved in our on-going projects. All contract labourers engaged at our facilities are assured minimum wages that are fixed by the respective state governments.

Information Systems

Our resources, personnel, equipment and finances are efficiently and optimally utilized through the use of sophisticated management information systems and tools. We use various engineering software packages for design and engineering applications related to our projects. We also use sophisticated software for project management, document management, database and payroll. We have successfully implemented SAP ERP system at our project sites which enables us to maintain effective system controls and real time monitoring of projects. These management information system reports provide updates on progress of ongoing projects for the seamless flow of data and enable us to achieve optimal planning and utilization of resources.

Clients and Markets

We provide comprehensive ETC-BTG and overhauling and maintenance services including civil and structural works to a diverse client base. We believe our significant experience and execution capabilities have enabled us to develop firm relationships with various private sector and public sector clients. We have established long term relationships with, and have worked extensively for, most public sector and private sector power companies and utilities as well as major EPC contractors in India. We have also worked on various projects with companies like Thermax Engineering Construction Co. Limited and NTPC Limited for more than four years. We have been engaged on various projects by Bharat Heavy Electricals Limited, NTPC Limited, Doosan Power Systems India Pvt. Limited, Adani Power Limited, Larsen & Toubro Limited-Thermal Power Plant Construction BU, Thermal Powertech Corporation India Limited, GE Power Services (India) Private Limited., CLP India Private Limited, BGR Energy Systems Limited, Thermax Engineering Construction Co. Limited, SEW Infrastructure Limited, KSK – Arasmeta Captive Power Company Limited , KSK - VS Lignite Power Private Limited, KSK –Mahanadi Power Company Limited, Siemens Limited, and Abir Infrastructure Private Limited and Reliance Infrastructure Limited.

In fiscal 2012, 2013, 2014 and 2015, revenue from our top five clients in such periods represented 31.98%, 60.10%, 64.75% and 56.47%, respectively, of our total revenue from operations in such periods, while revenue from our top client in such periods represented 9.09%, 29.98%, 34.15% and 26.84%, respectively, of our total revenue from operations in such periods. However, revenues from any particular client may vary significantly from reporting period to reporting period depending on the nature of ongoing contracts and the implementation schedule and stage of completion of such contracts. Accordingly, our top clients may vary significantly from reporting period to reporting period.

While India is our primary market, we continue to focus on increasing our operations and track record in international markets. We have executed various Erection Works contracts and O&M contracts for power plants in the Middle East, North Africa, South Asia and South America. In fiscal 2014, revenue from projects executed outside India represented 6.43% of our Company‘s total revenue from operations (on a standalone basis) in such period. In fiscal 2015 our Company‘s revenue from projects executed outside India represented 6.23% of our Company‘s total revenue from operations (on a standalone basis) in such period. We continue to focus on expanding our international footprint and have recently established a branch office in Abu Dhabi to focus on potential opportunities in the Middle East and Africa.

Competition

We operate in competitive markets. The principal factors affecting competition include: customer relationships; technical excellence or differentiation; price; service delivery including the availability of qualified personnel and skilled manpower, ability to deliver processes as required including local content and presence; service quality; health, safety and environmental standards and practices; financial strength; breadth of technology and technical sophistication and risk management awareness and processes. The level of competition also varies depending on the sector or business vertical, as well as the size, nature and complexity of the project and the geographical region in which the project is to be implemented.

We compete against both international and domestic companies operating in our industry. Some of our international competitors have greater financial and other resources and better access to capital than we do, which may enable them to compete more effectively for large scale project awards. However depending on various factors, including our prior experience on such projects and the extent of our presence in the relevant geographical region, we are able to leverage our local experience, established contacts with local clients, and familiarity with local working conditions to provide more cost effective services than our competitors or offer a better value proposition. Since a large part of our operations are based in India, we also benefit from lower overheads to our operations as compared to our international competitors.

Some of our major competitors in the Erection Works business include Sunil Hitech Engineers Limited, IOT Infrastructure and Energy Services Limited, Bridge and Roof Company (India) Limited, Indwell Construction Private Limited, Larsen & Toubro Limited, Petron Engineering Construction Limited, EDAC Engineering Limited. In the Civil Works business, we compete with several large construction and infrastructure companies including IVRCL Limited and Gammon India Limited. In the O&M business, our competition is generally limited to local players; the level of competition for O&M contracts is therefore relatively lower than that in Erection Works contracts where we compete with more established service providers.

As we seek to strategically diversify into other infrastructure and allied sectors such as the petrochemical, steel and cement plants, we expect to receive extensive competition from established service providers in these sectors and industries, including competitors with greater financial and other resources.

Health, Safety and Environment

We are committed to globally accepted best practices and comply with applicable health, safety and environmental legislation and other requirements in our operations. In order to ensure effective implementation of our practices, at every project all hazards are identified at the commencement of our work, and associated execution risks are evaluated and controls and methods are implemented and monitored. We believe that we comply in all material respects with applicable occupational health and safety laws, regulations and other contractual requirements relevant to health and safety of employees and sub-contractors at our operational and project sites.

We believe that accidents and occupational health hazards can be prevented through systematic analysis and control of risks and by providing appropriate training to stake holders, employees, subcontractors and communities. Our employees work constantly and proactively towards eliminating or minimizing the impact of hazards to people and the environment. We maintain an occupational health and safety management system that defines guiding principles and standards for occupational health and safety performance. We have set up health and safety procedures at all operational sites with participation of all levels of employees. Appropriate safety equipment is provided to all employees, contractors and visitors to project sites. Our project sites are regularly examined to ensure compliance for areas in which they operate, as well as for compliance with safety management systems. Health and safety incidents are investigated and preventive and corrective actions developed. In addition, there are regular reports to management on our health and safety performance.

We have also demonstrated our commitment to protecting the environment by minimizing pollution, waste and optimizing fuel consumption towards continual improvement of environmental performance. We have also received quality certifications including, ISO 9001:2008 for quality management systems from International Certification Registrar Limited; OHSAS 18001:2007 from Absolute Quality Certification Private Limited and ISO 14001:2004 for environment management system from Absolute Quality Certification Private Limited. We have also won a number of safety awards from various clients including the following:

- Best AMC – safety practice award from Dhariwal Infrastructure Limited for its 2 x 300 MW Power Plant at Tadali;
- Certificate of appreciation for 30 million safe man hours from Sasan Power Limited, for the UMPP in 2014;
- Zero fatal accident and maximum safety working man hours of 1.68 million hours from the Gujarat State Electricity Corporation Limited, Sikka in 2013;
- 3 million accident free man hours from SEPCO III at Jharsuguda in 2012;
- Best safety conscious agency from Adani Power Maharashtra Limited, Tiroda in 2012; and
- Best safety, health and environment award from CLP India Private Limited, Paguthan in 2011.

Risk Evaluation and Compliance

Our risk identification and assessment practices revolve around three phases of the project life cycle: the sales decision stage, the bidding and estimation stage and the construction and execution stage. We have established a risk management structure through the operational ranks to ensure that all major risks are identified, evaluated and addressed, whether in costs (at the bidding stage) or through risk mitigation measures (at the execution stage).

We follow a comprehensive risk identification and mitigation policy at the bidding and project execution stage. The bid decision process takes into consideration our strategic objective, client profile, place of work, ability to undertake the work based on our experience and knowledge, our existing capabilities, and also the ability to execute the projects within the specified timelines. A detailed bidding and estimation process is prepared and followed prior to the submission of bids. Further several operational risks are identified and mitigation process is followed during the different stages of execution. These risks generally fall into categories such as commercial and financial risks, engineering and construction risks, and sourcing and subcontracting risks. All these risks are dealt with adequately through effective construction management at site and operational level and also through integrated project management approach from headquarters through regular reviews, feedback system and also intervention from senior management side. In this process our project management team enables us to effectively identify such risks on a timely basis and also initiate corrective actions for mitigation of such risks.

Insurance and Guarantees

Our operations are subject to hazards inherent in providing construction services, such as risk of equipment failure, work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosion including hazards that may cause injury and loss of life, severe damage to and destruction of property, equipment and environmental damage. We may also be subject to claims resulting from defects arising from procurement and/or construction services provided by us within the warranty periods extended by us, which range from 12 to 24 months from the date of commissioning.

We have also undertaken standard fire and special perils policy for certain properties of our Company. Risks of loss or damage to project works and materials are usually insured by our clients. We are typically required to provide financial and performance guarantees guaranteeing our performance and/or financial obligations in relation to a project. The amount of guarantee facilities available to us depends upon our financial condition and availability of adequate security for the banks and financial institutions that provide us with such facilities.

Notwithstanding our insurance coverage, accidents at our project sites could nevertheless have a material adverse effect on our business, financial condition and results of operations to the extent such occurrences disrupt normal operations of our business or to the extent our insurance policies do not cover our economic loss resulting from such damage. For further information, see the section titled *"Risk Factors"* on Page 16.

Intellectual Property

We create and own certain valuable intellectual property assets. We own the trademark in the "Power Mech" logo along with the symbol in class 37. We have also made an additional application to register our trademark ―Power Mech logo with symbol and caption ―Growth Unlimited.

Corporate Social Responsibility

Power Mech foundation was formed by us to focus on our CSR activities. In order to ensure that our operations are conducted efficiently and in a manner that meets governmental environmental standards, we are committed to ensuring that the communities we operate also benefit and develop together with us. Some of the CSR projects undertaken include: education assistance, community development, distribution of basic amenities and organization of cancer awareness camps, eye camps and providing medical aid. We intend to constantly participate in the development of the communities where our projects are located, and contribute to social stability in the areas where we operate.

Property

We are headquartered in Hyderabad and have in addition established four regional offices across India in

Ghaziabad (NCR), Nagpur, Mumbai and Kolkata. We have also established branch offices to facilitate our projects, including in Abu Dhabi, Yemen and Bangladesh. We either own or lease various commercial premises in connection with our corporate, administrative or project-related functions. We typically lease various premises across India to facilitate our work at various project sites. These leases usually expire upon the completion of the relevant project.

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The information detailed in this chapter has been obtained from the various legislations that are available in the public domain.

The following Central legislations govern our Company:

Labour Legislations

The Contract Labour (Regulation and Abolition) Act, 1970

In the event that any aspect of the activities of our Company is outsourced and carried on by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, 1970 ("**CLRA**") becomes necessary. The CLRA regulates the employment of contract labour in establishments in which twenty or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. It governs their conditions and terms of service and provides for abolition of contract labour in certain circumstances.

The CLRA requires the principal employer of the concerned establishment to make an application to the registered officer for registration of the establishment and obtain registration, failing which contract labour 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 labour, except under and in accordance with such license. Further, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, restrooms, drinking water, washing facilities, first aid, other facilities and payment of wages to ensure the health and welfare of the contract labourers. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPFA**") aims to institute provident funds and pension funds for the benefit of employees in establishments which employ more than twenty persons and factories specified in Schedule I of the EPFA. Our Company has a provident fund for all our permanent eligible employees.

The Employees' State Insurance Act, 1948

The Employees' State Insurance Act, 1948 ("**ESI Act**") applies to all industrial establishments unless seasonal in nature which employ 10 or more employees and carry on a manufacturing process. The ESI Act puts the onus of registering the factory with the employer. All employees including casual, temporary or contract employees drawing wages less than the prescribed minimum amount are covered under the provisions of the ESI Act. The workers covered under the scheme have to pay a monthly contribution. The ESI Act provides for the provision of benefits to employees in case of sickness, maternity and employment injury. Under the ESI Act, employees receive medical relief, cash benefits, maternity benefits, pension to dependents of deceased workers and compensation for fatal or other injuries and diseases. Where a workman is covered under the ESI scheme, (a) compensation under the Workmen's Compensation Act cannot be claimed in respect of employment injury and (b) benefits under the Maternity Benefits Act cannot be claimed.

The Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 applies to every industrial establishment where 100 or more workmen are/were employed on any day of the preceding 12 months. It applies to every worker employed in an industrial establishment but excludes workers employed in a managerial or administrative capacity and workers employed in a supervisory capacity and drawing wages more than ₹ 10,000 per month. Under the Industrial Employment (Standing Orders) Act, 1946, standing orders are to be framed in order to standardize the service conditions of the workmen in industrial establishments. The standing orders are to be displayed prominently in the establishment in English and the language understood by the workmen near the entrance of the establishment and all departments.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("**PBA**") provides for payment of bonus on the basis of profit or productivity to people employed in factories and establishments employing twenty or more persons on any day during an accounting year. The PBA ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Under the PBA every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹ 100, whichever is higher.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("**PGA**") provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The PGA establishes a scheme for the payment of gratuity to employees engaged in establishments in which 10 or more persons are employed or were employed on any day of the preceding twelve months; and in such other establishments in which 10 or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may, by notification, specify. Our Company provides for payment of gratuity and superannuation to all our permanent employees, as applicable.

Minimum Wages Act, 1948

The Minimum Wages Act was enacted to provide for fixing minimum rates of wages in certain employments. The consequences of failure to adhere to the minimum rates of wages fixed under the Minimum Wages Act is in the form of liability to prosecution and punishment in the form of imprisonment of up to 6 months and/or fines of up to ₹ 500. Further, employees having earned less than the minimum wage fixed are entitled to the payment of shortfall amounts, in addition to a compensation which may extend up to ten times the shortfall amount.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936, aims at ensuring payment of wages in a particular form at regular intervals without unauthorized deductions. It regulates the payment of wages to certain classes of employed persons and provides for the imposition of fines and deductions and lays down wage periods and time and mode of payment of wages. Persons whose wages are ₹ 6,500 or more per month are outside the ambit of the Act.

The Trade Union Act, 1926

The Trade Union Act, 1926 provides for registration of trade unions (including association of employers) with a view to render lawful organization of labour to enable collective bargaining. The Trade Union Act, 1926 also confers certain protection and privileges on a registered trade union. It applies to all kinds of unions of workers and associations of employers which aim at regularizing labour-management relations.

Pursuant to the Trade Unions (Amendment) Act, 2001 no trade union shall be registered unless 10.00% or 100, whichever is less and subject to a minimum of seven workmen engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the date of making of application for registration. The trade union so formed has the right to act for the individual and/or for collective benefit of workers at different levels.

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923, aims to provide employees and their dependents, compensatory payment, in case of accidents arising out of and in course of employment and causing either death or disablement of employees. It applies to factories, mines, docks, construction establishments, plantations, oilfields and other establishments listed in Schedule II and III of the Employees' Compensation Act but excludes establishments covered by the Employees' State Insurance Act. Every employee including those employed through a contractor except casual employees, who is engaged for the purposes of employer's business and who suffers an injury in any accident arising out of and in the course of his employment is entitled to compensation under the Employees' Compensation Act, 1923.

*The Industrial Disputes Act, 1947, as amended ("**ID Act**")*

The ID Act provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen. The Industrial Disputes (Amendment) Act, 2010 which became effective on September 15, 2010 provides for, among other things, direct access for the workmen to labour courts or tribunals in case of individual disputes, expanded the scope of qualifications of presiding officers of labour courts or tribunals and also provided for the constitution of grievance settlement machineries in any establishment having 20 or more workmen.

Buildings and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

The Buildings and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Construction Workers Act**"), 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. However, it does not apply in respect of residential houses constructed for one's own purpose at a cost of less than ₹ 1.00 million and in respect of other activities to which the provisions of the Factories Act, 1948 and the Mines Act, 1952 apply. Every establishment to which the Construction Workers Act applies must be registered within a period of 60 days from the commencement of work.

Further, every employer must give notice of commencement of building or other construction work 30 days in advance. Comprehensive health and safety measures for construction workers have been provided through the Building and Other Construction Workers (Regulation of Service and Conditions of Service) Central Rules, 1998.

This 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 imprisonment for three months or a fine of a maximum of ₹ 2,000 or both. Continuing contraventions attract an additional fine of ₹ 100 per day. It also provides for penalties for failure to give notice of commencement of building or other construction work and obstruction of inspection, enquiry, etc.

*Buildings and Other Construction Workers' Welfare Cess Act, 1996 ("**BOCW Cess Act**")*

The BOCW Cess Act provides for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers' Welfare Boards constituted under the BOCW Cess Act. Currently, 1.00% of the construction cost incurred by the employer is required to be deposited by the employer as welfare cess under the BOCW Cess Act.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 (the "**Migrant Workmen Act**") is applicable to an establishment, which employs five or more Inter-State migrant workmen through an intermediary (who has recruited workmen from one State for employment in an establishment situated in another State). The inter-State migrant workmen, in an establishment to which the Migrant Workmen Act becomes applicable, are required to be provided with certain facilities such as housing, medical aid, travel expenses etc.

Maternity Benefits Act, 1961

The Maternity Benefits Act, 1961 was enacted to regulate the employment of women in certain establishments for certain period before and after childbirth and to provide for maternity benefits and certain other benefits. The Maternity Benefits Act, 1961 requires that a mandatory period of leave and benefits be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The consequences of non-payment of maternity benefits include imprisonment for a period not less than 3 months and extending to one year and fine of not less than ₹ 2,000 and extending to ₹ 5,000. "Employer" under the Maternity Benefits Act, 1961 has been defined as the person who has the ultimate control over the affairs and where the affairs are entrusted to any person (being a manager, managing director, or other person).

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986 (the "**Child Labour Act**") prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under the Child Labour Act the employment of child labour in the building and construction industry is prohibited.

Shops and Establishment Acts

Under the provisions of local shops and establishments legislations applicable in the States in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 ("**ER Act"**) aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the ER Act, no employer shall pay to any worker, employed by him/ her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him/ her to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. Also, no employer shall, for the purpose of complying with the foregoing provisions of the ER Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

It also provides that every employer shall maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner. If any employer:- (i) makes any recruitment in contravention of the provisions of this Act; or (ii) makes any payment of remuneration at unequal rates to men and women workers for the same work or work of a similar nature; or (iii) makes any discrimination between men and women workers in contravention of the provisions of this Act; or (iv) omits or fails to carry out any direction made by the appropriate Government, then in case of contravention of the provisions of the ER Act, such employer shall be punishable with fine, which shall not be less than ₹ 10,000, but which may extend to ₹ 20,000 or with imprisonment for a term, which shall not be less than three months, but which may extend to one year, or both, for the first offence and imprisonment which may extend to two years for the second and subsequent offences. Where an offence under the ER Act has been committed by a company, every person who at the time the offence was committed, was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Apprentices Act, 1961

The Apprentices Act, 1961 was enacted to regulate and control the programme of training of apprentices and for matters connected therewith. The term 'apprentice' means "a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship". While, 'apprenticeship training' means "a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices".

This Act makes it obligatory on part of the employers both in public and private sector establishments having requisite training infrastructure as laid down in the Act, to engage apprentices in 254 groups of companies covered under this Act. The provisions of this Act shall not apply to - (i) any area or to any industry in any area unless the Central Government by notification in the Official Gazette specifies that area or industry as an area or industry to which the said provisions shall apply with effect from such date as may be mentioned in the notification; and (ii) any such special apprenticeship scheme for imparting training to apprentices as may be notified by the Central Government in the Official Gazette.

Environmental Legislations

The plants that we undertake work for may require approvals under the following environmental legislations. This is because the operation/construction of some of these plants might have an impact on the environment where they are situated in. These approvals are required to be procured by our customers, however, we may be obligated to follow the guidelines prescribed under these legislations.

Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 ("**Air Act**") mandates that no person can, without the previous consent of the State Pollution Control Board, establish or operate any industrial plant in an air pollution control area. The Central and State Pollution Control Boards constituted under the Water Pollution Act are also to perform functions as per the Air Pollution Act for the prevention and control of air pollution.

Water (Prevention and Control of Pollution) Act 1974

The Water (Prevention and Control of Pollution) Act 1974 ("**Water Act**") provides for the constitution of a Central Pollution Control Board and State Pollution Control Boards. The Water Act 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 State and Central Pollution Control Boards.

Environment Protection Act, 1986

The Environment Protection Act, 1986 ("**EPA**") has been enacted for the protection and improvement of the environment. The EPA 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.

In addition, the Ministry of Environment and Forests looks into Environment Impact Assessment ("**EIA**"). The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment is assessed by the Ministry before granting clearances for the proposed projects. The issue of management, storage and disposal of hazardous waste is regulated by the Hazardous Waste Management Rules, 1989 made under the Environment Protection Act. Under these rules, the Pollution Control Boards are empowered to grant authorization for collection, treatment, storage and disposal of hazardous waste, either to the occupier or the operator of the facility.

The Forest (Conservation) Act, 1980

The Forest (Conservation) Act, 1980 (the "**FCA**") came into force on October 25, 1980, prohibits use of any forest for non-forest purposes, except with the prior consent of the Government of India. 'Non-forest purposes' do not include uses (including construction of dams) ancillary to the conservation, development or management of forests or wildlife. Therefore, FCA has been enacted for the conservation of forests, and *inter alia*, stipulates that no State Government shall make, except with the approval of the Central Government, any order directing that any forest land may be assigned by way of lease or otherwise to any private person or corporation not owned or controlled by the government. Contravention of this provision may attract a penalty of imprisonment of up to 15 days. A Forest Advisory Committee has been constituted under the FCA to advise the Government of India on the grant of approvals and other matters relating to forest conservation. The Government of India reserves the rights to make rules under the FCA.

The Forest (Conservation) Rules, notified on January 10, 2003 which superseded the Forest (Conservation) Rules, 1981, prescribe the forms in which approvals or renewals of approvals under the FCA are required to be sought.

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (the "**Hazardous Wastes Rules**") aim to regulate the proper collection, reception, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose such waste without adverse effect on the environment, including through the proper collection, treatment, storage and disposal of such waste. Every occupier and operator of a facility generating hazardous waste must obtain an approval from the Pollution Control Board. The occupier, the transporter and the operator are liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste. The operator and the occupier of a facility are liable for any fine that may be levied by the respective State Pollution Control Boards. Penalty for the contravention of the provisions of the Hazardous Waste Rules includes imprisonment up to five years and imposition of fines as may be specified in the EPA or both.

State Legislations

Andhra Pradesh Shops and Establishments Act, 1988

The Andhra Pradesh Shops and Establishments Act aims to regulate conditions of work and to provide for statutory obligations of the employers and rights of the employees in the unorganized sector of employment such as shops, commercial establishments, residential hotels, restaurants, eating houses, theatres and other establishments.

Andhra Pradesh Labour Welfare Fund Act, 1987

The Andhra Pradesh Labour Welfare Fund Act, 1987 provides for the constitution of an Andhra Pradesh Labour Welfare Fund and for the establishment of Andhra Pradesh Labour Welfare Board for the financing of activities to promote welfare of labour in the state of Andhra Pradesh and for conducting activities and for matters connected therewith.

Enforceability of Foreign Judgments in India

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, Republic of Singapore and Hong Kong has been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws.

HISTORY AND CORPORATE STRUCTURE

Our History

Our Company was originally incorporated on July 22, 1999 as a private limited company by the name Power Mech-Projects Private Limited under the Companies Act, 1956. Pursuant to a resolution passed by our shareholders on September 28, 2007, our Company was converted into a public limited company as Power Mech-Projects Limited and a fresh certificate of incorporation was issued on October 16, 2007. Subsequently our Company's name was changed to Power Mech Projects Limited vide a resolution passed by our shareholders on September 15, 2010, owing to the hyphen being removed. A fresh certificate of incorporation pursuant to the change of name was issued by the RoC on November 1, 2010.

Our Company has 573 shareholders as of the date of filing of this Red Herring Prospectus. For further details regarding our shareholders, see the section titled "*Capital Structure*" on Page 96.

Change in Registered Office

The registered office of our Company was originally located at 204, Nagilla Towers 1-11-112, Begumpet, Hyderabad, Telangana (erstwhile Andhra Pradesh). Pursuant to a resolution of our Board dated August 23, 2007, the registered office of our Company was shifted to 403, Vamsi Rishi Residency, 6-3-865/B, Green Lands, Begumpet, Hyderabad, Telangana (erstwhile Andhra Pradesh), for administrative convenience. Thereafter, pursuant to a resolution of our Board dated March 12, 2011, the registered office of our Company was shifted to Plot No. 77, Jubilee Enclave, Opposite to Hitex, Madhapur, Hyderabad – 500 081, Telangana, India with effect from May 22, 2011 for administrative convenience.

Key Events, Milestones and Achievements

Year	Key Events, Milestones and Achievements
1999	• Incorporation of our Company • Undertook works in overhauling and maintenance of gas turbines
2002	• First boiler erection work of capacity 1 X 63 tph and 2 X 165 tph AFBC boilers and ETC of 20.85 MW and 55 MW steam turbine generators.
2004	• Fist AMC of 655 MW combined cycle dual fuel based power plant
2007	• First ETC of 1 X 500 MW boiler and auxiliaries including ESP
2008	• Major ETC work of 2 units of thermal power plant of capacity 2 X 600 MW • Erection of structural steel, steam generator and auxiliaries works for 3 boilers for 4000 MW (5X800 MW coal based power plant).
2009	• Raising of capital in the form of equity and compulsorily convertible preference shares. • First international work in Libya – erection of 2 gas turbines.
2011	• Commenced civil and gas turbine erection work at Yemen, Marib worth USD 61 million
2012	• Hydro Magus, our subsidiary, was incorporated to undertake EPC works of hydro projects.
2014	• Entered into a joint venture agreement with Chengdu Pengrun New Energy Development Co. Limited, Hong Kong
2015	• Received a work order to carry out O&M of 4X600 MW power plant at Jharsuguda for ₹ 4,220.37 million. This is the single largest order, in terms of value, for our Company.

Awards and Accreditations

1. Awards

Year	Awards
2015	Best AMC – safety practice award from Dhariwal Infrastructure Limited for its 2 x 300 MW Power Plant at Tadali.
2014	Certificate of appreciation for 30 million safe man hours award from Sasan Power Limited, Ultra Mega Power Project
2013	Zero fatal accident and maximum safety working man hours of 1.68 million hours from Gujarat State Electricity

Year	Awards
	Corporation Limited, Sikka
2012	3 million accident free man hours award from SEPCO III at Jharsuguda
2012	Best safety conscious agency from Adani Power Maharashtra Limited at Tiroda
2011	Best safety health and environment (SHE) award from CLP India Private Limited, Paguthan

2. Accreditations

Certifying authority	Certification details	Certificate number	Validity
International Certification Registrar Limited	ISO 9001:2008 for quality management system	Q101509	July 26, 2015*
Absolute Quality Certification Private Limited	OHSAS 18001:2007	1014/O/004	January 17, 2017
Absolute Quality Certification Private Limited	ISO 14001:2004 for environmental management system	1014/E/004	January 17, 2017
Absolute Quality Certification Private Limited	ISO 14001:2004 for environmental management system	1014EA49	April 15, 2017
Absolute Quality Certification Private Limited	ISO 9001:2008 for quality management system	1014QR46	April 15, 2017

******An application dated June 25, 2015 has been made to Absolute Quality Certification Private Limited for renewal of this certification.*

Main Objects

Our main objects enable us to carry on our current business and also the business proposed to be carried on by us. The main objects of our Company as contained in our Memorandum of Association are as follows:

1. *To carry on business of providing technical consultancy services and undertake erection, maintenance overhauling and life extension programs of various gas, thermal, hydro, solar, wind, nuclear and all types of power plants of various capacities and to manufacture, deal and trade in the spares, components and equipment used in these types of power stations.*

2. *To carry on the business of builders and contractors and to undertake all kinds of construction work and to do all kinds of mechanical and electrical contract works and to act as consulting engineers, architects, designers, planners, surveyors, valuers, appraisers, furnishers, decorators.*

3. *To undertake designing, building, constructing, erecting, demolishing, re-erecting/reconstructing/re-building buildings, roads, sewers, bridges, embankments, dams, ports, water, electric, sanitary supply systems or any other structural civil construction or architectural work.*

4. *To carry on the business of generating power by conventional and non-conventional methods including accumulating, distributing and supplying energy from sunlight using solar, wind or other related equipments and from other non-conventional and renewable sources of energy or connected with any other form of energy including without limitation to heat, wind, solar, hydro, wave, tidal, geo-thermal, nuclear and bio-mass and to generate, buy, sell, supply, exchange, distribute, deal in and share the energy to Governments, companies, industrial units, State electricity boards, for its own use or distribution or otherwise to other types of consumers of energy according to the Law for the time being in force.*

5. *To promote, own, acquire, set up, erect, build, install, commission, construct, establish, maintain, improve, manage, operate, alter, control, take on hire/ lease, carry out and run various gas, thermal, hydro, solar, wind, nuclear and all other types of power substations, workshops, repair shops, wires, cables, maintain generators, machinery, electrical equipment and cables, wires, lines, accumulators, lamps, fittings and apparatus in the capacity of owners, principals, contractors, or otherwise and to manufacture, deal, buy, sell and hire all equipments, apparatus, spares and things required for or used in connection with generation, distribution, supply, accumulation of all forms of energy including and without limitation to heat, wind, solar, hydro, wave, tidal, geo-thermal, nuclear and bio-mass that may be directly or indirectly derived therefrom.*

Amendments to Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company.

Date of shareholder's resolution	Nature of Amendment
March 20, 2003	Increase in authorised capital from ₹ 5 million comprising 500 thousand Equity Shares to ₹ 6 million comprising 600 thousand Equity Shares.
February 12, 2004	Increase in authorised capital from ₹ 6 million comprising 600 thousand Equity Shares to ₹ 7 million comprising 700 thousand Equity Shares.
May 15, 2004	Increase in authorised capital from ₹ 7 million comprising 700 thousand Equity Shares to ₹ 7.5 million comprising 750 thousand Equity Shares.
July 18, 2005	Increase in authorised capital from ₹ 7.5 million comprising 750 thousand Equity Shares to ₹ 8.5 million comprising 850 thousand Equity Shares.
February 28, 2006	Increase in authorised capital from ₹ 8.5 million comprising 850 thousand Equity Shares to ₹ 10 million comprising 1 million Equity Shares.
March 24, 2007	Increase in authorised capital from ₹ 10 million comprising 1 million Equity Shares to ₹ 30 million comprising 3 million Equity Shares.
September 28, 2007	Conversion of private company into public company and subsequent change of name from Power Mech-Projects Private Limited to Power Mech-Projects Limited.
November 13, 2007	Increase in authorised capital from ₹ 30 million comprising 3 million Equity Shares to ₹ 50 million comprising 5 million Equity Shares.
August 5, 2008	Increase in authorised capital from ₹ 50 million comprising 5 million Equity Shares to ₹ 110 million comprising 11 million Equity Shares.
November 19, 2009	Reclassification of authorised capital of ₹ 110 million comprising 11 million Equity Shares into 9.5 million Equity Shares and 1 million preference shares of face value of ₹ 15 each. Increase in authorised capital from ₹ 110 million comprising 11 million Equity Shares to ₹ 250 million comprising of 10 million Equity Shares and 10 million preference shares of face value ₹ 15 each.
September 15, 2010	Change of name of the Company from Power Mech-Projects Limited to Power Mech Projects Limited.
January 18, 2011	Increase in authorised capital from ₹ 250 million comprising of 10 million Equity Shares and 10 million preference shares of face value of ₹ 15 each to 260 million comprising of 11 million Equity Shares and 10 million preference shares of face value of ₹ 15 each.
March 12, 2011	Reclassification of authorised capital of ₹ 260 million comprising 11 million Equity Shares and 10 million preference shares of face value ₹ 15 each into 26 million Equity Shares.
September 30, 2014	Alteration of main objects of the Company to include certain activities.

Other Details Regarding our Company

For details regarding the description of our activities, the growth of our Company, technology, the standing of our Company with reference to the prominent competitors, with reference to its management, customers, segment, capacity/facility creation, market capacity build- up, marketing and competition, see the sections titled "*Our Business*" and "*Industry Overview*" on Page 127 and 112 respectively.

There have been no lock-outs or strikes at any time in the Company and our Company is not operating under any injunction or restraining order.

For details regarding our management and its managerial competence, see the section titled "*Our Management*" on Page 165.

For details regarding profits due to foreign operations, see the section titled "*Financial Statements*" on Page 198.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, if any

Except in relation to 10,000 equity shares of ₹ 10 each of Power Mech Industri Private Limited acquired by our Company on October 17, 2013, our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers, amalgamation or revaluation of assets. Also see the section titled "*Our Business*" on Page 127.

Capital raising activities through equity and debt

Except as mentioned in the section titled "*Capital Structure*" on Page 86, our Company has not raised capital through equity. For details on the debt facilities of our Company, see the section titled "*Financial Indebtedness*" on Page 393.

Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults with financial institutions in respect of our current borrowings from lenders. For details in relation to rescheduling of borrowings from our current lenders see the section titled "*Financial Indebtedness*" on Page 393. Also refer to Note 2(d) of the Restated Consolidated Financial Statements regarding delays under the Companies (Auditors' Report) Order, 2003.

Time and cost overruns

We are engaged in the business of providing comprehensive ETC-BTG and BOP works, civil works and O&M services. Our operations include three principal business lines: (i) Erection Works; (ii) Operation & Maintenance (O&M) Services; and (iii) Civil Works. In relation to two of our projects there have been delays in completion of work due to the failure of our sub-contractor to fulfil its' obligations and delay in recruitment of manpower. As a consequence, we had to seek extension of time from our clients for completion of work and the same has been granted to us.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/loss account of our Company including discontinuance of line of business, loss of agencies or markets and similar factors.

Strategic or Financial Partners

For details regarding our financial /strategic partners, see the section titled "*Our Business*" on Page 127.

Shareholder Agreements

Subscription and Shareholders Agreement dated November 19, 2009 ("Original SSHA") between our Company, India Business Excellence Fund I, IL&FS Trust Company Limited (acting as trustee of India Business Excellence Fund, a unit scheme of Business Excellence Trust) (collectively, the "Investors"), S. Kishore Babu, S. Kishore Babu (HUF), S. Lakshmi, S. Rohit and S. Vignatha; as amended by first amendment agreement dated January 31, 2011; second amendment agreement dated May 6, 2013; and further amended vide third amendment agreement dated December 27, 2013, hereinafter referred to as "SSHA"); and letter of termination dated October 4, 2014 ("Termination Letter").

Our Company issued and allotted 100 (One hundred) Equity Shares and 10,000,000 (Ten million) compulsorily convertible preference shares of the Company of face value of ₹ 15 (Rupees Fifteen) each ("Investor CCPS") at a premium of ₹ 10 (Rupees Ten) and convertible into equity shares in the manner set out in the Original SSHA, for an aggregate consideration of ₹ 250,001,000 (Rupees Two hundred and Fifty million and One thousand only).

375 compulsorily convertible debentures of face value ₹ 100 and 1,125 compulsorily convertible debentures of face value ₹ 100 each were allotted to India Business Excellence Fund and Indian Business Excellence Fund I respectively pursuant to the resolution of the Board dated February 15, 2011, in accordance with the SSHA

The Original SSHA requires that the Investor CCPS be converted into equity shares upon determination of the conversion price in the manner stipulated in the Original SSHA, at the sole discretion of the Investors by a notice in writing to the Company.

The Original SSHA provides certain rights to the Investors including, inter alia, option to subscribe to 6,000,000 (six million) Preference Shares, anti-dilution rights, right to nominate 1 (one) director and 1(one) observer to the Board, tag along rights, pre-emptive rights, right of first refusal, put option, drag along rights, certain corporate matters related rights and affirmative voting rights in relation to certain matters such as changes in capital structure of the Company and its Subsidiaries, amendment of its charter documents, listing of the Company on any recognised stock exchange in India or abroad and transfer of shares.

Our Company is required to provide an exit to the Investors as stated in the agreement. Each party is required to maintain confidentiality of the terms of this agreement and not disclose any such terms unless required under applicable law, with prompt written notice to the other parties.

Pursuant to the first amendment agreement certain provisions of the Original SSHA are amended and restated in relation to the rights available to the Investors under the Original SSHA. The option to subscribe to 6,000,000 (six million) Preference Shares available to the Investors was modified to an option to subscribe to 1500 (one thousand five hundred) compulsorily convertible debentures of face value of ₹ 100,000 (Rupees One Lakh) each, convertible into Equity Shares at the conversion price, method of calculation of which has been amended in this agreement, at any time before the IPO Date i.e. 7 (seven) days before filing of this red herring prospectus with the Registrar of Companies. Further, the first amendment provides the right to differential issue of bonus shares available to the Investors.

According to second amendment agreement, the timelines for various exit options available to the Investors such as IPO, merger with a listed company, buy back of shares, put option was extended to 54 (fifty four) months and drag along rights to 66 (sixty six) months.

Further, third amendment agreement extended the timelines for various exit options available to the Investors such as IPO, merger with a listed company, buy back of shares, put option to 66 (sixty six) months and drag along rights to 78 (seventy eight) months.

As per the Termination Letter, the SSHA shall stand terminated upon completion of the Issue and the Equity Shares being listed on the Stock Exchange(s). Upon such termination, the various rights of the Shareholders shall be governed by the Articles of Association.

Joint Venture Agreement

Joint venture agreement entered into with Chengdu Pengrun New Energy Development Company Limited

Our Company has entered into a joint venture agreement dated December 1, 2014 ("**Agreement**") with Chengdu Pengrun New Energy Development Company Limited ("**Chengdu**"), a company registered under the laws of People's Republic of China. The Agreement has been entered into by the parties to incorporate Power Mech – CPNED Services (Hong Kong) Holding Company Limited, a company governed by the laws of Hong Kong ("**New Company**") having principal objects of manufacturing and marketing of boiler spares, turbine spares, pumps, coal mills, induced draft, forced draft, primary air fans, shenyang blowers, shanghai blowers and chengdu power equipment, ESP filter bags, regular spares, other capital equipment and rendering services in this regard in India. In terms of the Agreement, each of Chengu and our Company shall hold 50.00% shareholding in the New Company. For further details in relation to the New Company, please refer to the sub-section titled "*History and Corporate Structure - Foreign Joint Venture Companies*" on Page 163.

Details of our Subsidiaries

Hydro Magus Private Limited ("**Hydro Magus**")

Corporate Information

Hydro Magus was incorporated on September 24, 2012 as a private limited company. It has its registered office at Plot No. 77, Jubilee Enclave, Madhapur, Hyderabad – 500 081, Telangana, India.

Hydro Magus is engaged in the business: (a) to undertake designing, manufacturing, supplying, building, constructing, erecting, re-erecting, re-constructing, commissioning, renovating, upgrading, re-building, consulting, maintaining, overhauling in relation to hydro power generation plants and developing and identifying potential sites/ points for hydro power generation and to deal and trade in the spares, components and equipment used in the hydro power generation and transmission stations; (b) to set-up hydro power generation plants to generate power, to take-up the development of hydro projects on turnkey basis including civil works, to take-up supply and manufacture of all types of equipment, materials, services and other related jobs in relation to hydro power and to distribute electricity for industrial, domestic, commercial purposes and to erect distribution lines/

sub-stations to evacuate the power from the generation points; and (c) to carry on the business of consulting engineers, architectures, designers, planners, surveyors, suppliers of equipments/ materials/spares/ components for hydro power generation stations and power distribution stations.

Capital Structure

The authorized share capital of Hydro Magus is ₹ 30,000,000 comprising of equity share capital of ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each and preference share capital of ₹ 25,000,000 divided into 2,500,000 preference shares of ₹ 10 each and the issued and paid up share capital of Hydro Magus is ₹ 24,848,610 divided into 100,000 equity shares of ₹ 10 each and 2,384,861 preference shares of ₹ 10 each.

Shareholding

The shareholding pattern of Hydro Magus is given below:

Name of the shareholder	No. of shares	Percentage
Power Mech Projects Limited	75,000 equity shares of ₹ 10 each	75.00% of issued and paid up equity share capital
Jitendra Kumar	10,000 equity shares of ₹ 10 each	10.00% of issued and paid up equity share capital
Arbind Kumar Koul	10,000 equity shares of ₹ 10 each	10.00% of issued and paid up equity share capital
Ajay Kumar	5,000 equity shares of ₹ 10 each	5.00% of issued and paid up equity share capital
Power Mech Projects Limited	2,384,861 preference shares of ₹ 10 each	100.00% of the issued and paid up preference share capital

The equity shares held by our Promoters, S. Kishore Babu and S. Rohit were transferred to our Company pursuant to which we own 75.00% of the total issued and paid-up equity share capital of Hydro Magus.

Power Mech Industri Private Limited ("PMIPL")

Corporate Information

PMIPL was incorporated on February 8, 2006 as a private limited company by the name of Paramount Furnishing Private Limited. Subsequently its name was changed to Power Mech Industri Private Limited and a fresh certificate of incorporation pursuant to change of name was issued by the RoC on April 3, 2014. It has its registered office at 13/4, Windsor Mansion, Janpath Lane, New Delhi. The board of directors and the shareholders of PMIPL have passed resolutions dated March 20, 2014, to change the registered office from National Capital Territory of Delhi to the State of Telangana. The Regional Director, Norther Region Bench, Noida has approved the request for change in registered office of PMIPL vide their order dated July 6, 2015.

PMIPL is engaged in the business of: (a) repair, maintain, re-fabricate, overhaul, re-model plant and machinery pertaining to all industrial units including all types of power generation plants and infrastructure equipments; (b) manufacture, fabricate, re-fabricate, furbish all types machinery parts, spare parts, equipments relating to various industrial units including all types power generation plants and infrastructure equipments and also to deal in the said objects by way of trading, exporting, importing and reconverting; and (c) developing and constructing industrial sheds, workshops, factory facilities including machines and other manufacturing facilities/undertakings with an object to lease or sub-lease the said facilities to earn rental income or to carry on job work.

Capital Structure

The authorized share capital of PMIPL is ₹ 2,000,000 divided into 200,000 equity shares of ₹ 10 each and the issued and paid up share capital of PMIPL is ₹ 1,89,370 divided into 18,937 equity shares of ₹ 10 each.

Shareholding

Our Company holds 18,937 equity shares of ₹ 10 each aggregating to 100.00% of the issued and paid-up share capital of PMIPL.

MAS Power Mech Arabia ("MASPA")

Incorporation details

MASPA was incorporated on February 23, 2015 as a limited liability company in the Kingdom of Saudi Arabia. Its office is located at Khurais Commercial Plaza, Khurais Road, Dhabab, Riyadh, Saudi Arabia.

MASPA is authorised to provide services of installation, operation, testing and maintenance of electricity stations and high, medium and low pressure transformers.

Capital Structure

The share capital of MASPA is 500,000.00 Saudi Riyals divided into 500 in-kind shares of the value of 1000.00 SAR each.

Shareholding

Our Company holds 51.00% of the share capital of MASPA. Our Company is in the process of remitting the subscription amount towards its shareholding in MASPA. Refer to the section titled "*Government Approvals-Pending Approvals*" on Page 452.

Indian Joint Venture Companies

As on the date of this Red Herring Prospectus, our Company does not have any Indian joint venture company.

Foreign Joint Venture Companies

Power Mech – CPNED Services (Hong Kong) Holding Company Limited ("PCSHCL")

Incorporation details

PCSHCL was incorporated as Powermech - CPNED Services (Hong Kong) Holding Co., Limited on August 21, 2014 as a company registered under the laws of People's Republic of China. Its name was changed to Power Mech - CPNED Services (Hong Kong) Holding Co., Limited on October 8, 2014. Its office is located at RM 19C Lockhart Ctr., 301-307 Lockhart Road, Wan Chai, Hong Kong.

Capital Structure

The share capital of PCSHCL is HKD 10,000 divided into 10,000 ordinary shares.

Shareholding

Our Company has remmitted HKD 5,000 towards acquisition of 50.00% of the share capital of PCSHCL pursuant to receipt of approval dated June 22, 2015 from RBI.

Accumulated Profits or Losses

Except as stated in the sections titled "*Risk Factors*" and "*Financial Statements*" on Page 16 and 198 respectively, there are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the consolidated Financial Statements.

Public issue and rights issue

None of the Subsidiaries have made any public or rights issue in the last three years and have not become a sick company as specified under SICA and are not under winding up proceedings.

Partnership Firms

Our Company is not a partner in any partnership firm.

Interest in our Company

None of our Subsidiaries have any interest in our Company's business other than as stated in the sections titled "*Our Business*" and the "*Financial Statements*" on Page 127 and 198 respectively.

OUR MANAGEMENT

Board of Directors

The composition of our Board of Directors is governed by the provisions of Companies Act, 2013. The Articles of Association of our Company provide that the number of directors shall not be less than three and more than twelve. At present, our Company has eight Directors, of which two are executive directors, six are non-executive directors out of which four are independent Directors.

The following table sets forth the details of our Directors as on the date of this Red Herring Prospectus:

S. No	Name, Father's Name, Nationality, Director Identification Number, Residential Address, Occupation and Term	Age (in years)	Designation	Other Directorships/Proprietorships/Partnerships/ Trusteeships
1.	**Sajja Kishore Babu** Father's Name: *Seshagiri Rao Sajja* Nationality : *Indian* DIN : *00971313* Address: *60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh, India* Occupation: *Business* Date of appointment: *July 22, 1999* Current term: *April 1, 2011 to March 31, 2016*	52	Chairman and Managing Director	*Other Directorships:* - Power Mech Infra Limited - Bombay Avenue Developers Private Limited - Hydro Magus Private Limited - True Rrav Marketing Private Limited - Power Mech Industri Private Limited *Partnerships*: - Lakshmi Agro Farms *Trusteeships:* - Power Mech Foundation
2.	**Sajja Lakshmi** Father's Name: *Chittaranjan Rao Gogineni* Nationality : *Indian* DIN : *00068991* Address: *60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh, India* Occupation: *Business* Date of appointment: *July 22, 1999* Current term: *Liable to retire by rotation*	50	Non- executive Director	*Other Directorships:* - Power Mech Infra Limited - Bombay Avenue Developers Private Limited - Power Mech Industri Private Limited - True Rrav Marketing Private Limited *Partnerships:* - Lakshmi Agro Farms *Trusteeships:* - Power Mech Foundation

<table>
<tr><th>S. No</th><th>Name, Father's Name, Nationality, Director Identification Number, Residential Address, Occupation and Term</th><th>Age (in years)</th><th>Designation</th><th>Other Directorships/Proprietorships/Partnerships/ Trusteeships</th></tr>
<tr><td>3.</td><td>Murugesan Rajendran

Father's Name: M. Mududaliar

Nationality : Indian

DIN : 01879556

Address:

5, Meenatchipuram, Ulundurpet (T), Ulundurpet, Villupuram 606 107, Tamil Nadu, India

Occupation: Service

Date of appointment: March 24, 2008

Current term: April 01, 2013 to March 31, 2018*</td><td>58</td><td>Executive Director</td><td>Nil</td></tr>
<tr><td>4.</td><td>Thiagarajan Sankaralingam

Father's Name: Thiagarajan

Nationality : Indian

DIN : 00015954

Address:

18/22, Pasumarthi, St 2nd Lane, Kodambakkam, Chennai 600 024, Tamil Nadu

Occupation: Service

Date of appointment: June 26, 2014

Current term: June 26, 2014 to June 25, 2019</td><td>67</td><td>Non-executive independent Director</td><td>Other Directorships:

- East Coast Energy Private Limited
- Athena Chattisgarh Power Limited
- Bhuvaneshwar Power Private Limited
- DB Power Limited
- Diliigent Power Private Limited
- DB Power (Madhya Pradesh) Limited
- Metatron Danke Green Energy Private Limited</td></tr>
<tr><td>5.</td><td>Amitabha Guha

Father's Name: Nirad Ranjan Guha

Nationality : Indian

DIN : 02836707

Address:

DL – 182, Salt Lake, Block DL, Sector – II, Bidhannagar (East), North 24, Parganas, Kolkata – 700 091, West</td><td>66</td><td>Non-executive independent Director</td><td>Other Directorships:

- The South Indian Bank Limited
- XPRO India Limited
- Gangavaram Port Limited
- Ramkrishna Forgings Limited</td></tr>
</table>

S. No	Name, Father's Name, Nationality, Director Identification Number, Residential Address, Occupation and Term	Age (in years)	Designation	Other Directorships/Proprietorships/Partnerships/ Trusteeships
	Bengal Occupation: *Service* Date of appointment: *June 26, 2014* Current term: *June 26, 2014 to June 25, 2019*			
6.	**Mukul Lal Sah** Father's Name: *Kishori Lal Sah* Nationality : *Indian* DIN : *03494357* Address: *E903 Vijay Apartments, Ahinsa Khand 2, Indrapuram, Ghaziabad 201 014, Uttar Pradesh, India* Occupation: *Service* Date of appointment: *February 28, 2012* Current term: *September 30, 2014 to September 29, 2019*	65	Non-executive independent Director	Nil
7.	**Gorijala Durga Vara Prasada Rao** Father's Name: *G. Krishna Rao* Nationality : *Indian* DIN : *02754904* Address: *115 A, Journalist Colony, Jubilee Hills, Hyderabad 500 033, Telangana, India* Occupation: *Service* Date of appointment: *August 1, 2009* Current term: *September 30, 2014 to September 29, 2019*	66	Non- executive independent Director	*Trusteeships:* Health and Education for All.
8.	**Rakesh Sony** Father's Name: *Ram Gopal Sony*	39	Non-executive nominee Director**	*Other Directorships:* - Minda Industries Limited

S. No	Name, Father's Name, Nationality, Director Identification Number, Residential Address, Occupation and Term	Age (in years)	Designation	Other Directorships/Proprietorships/Partnerships/ Trusteeships
	Nationality : *Indian* DIN : *00363053* Address: *Chaitanya Towers, 1802, A Wing, Prabhadevi, Mumbai 400 025, Maharashtra, India* Occupation: *Services* Date of appointment: *November 24, 2009* Current term: *Non-retiring Director*			- Mrs. Bectors Food Specialties Limited - Cremica Food Industries Limited - Arinna Lifesciences Private Limited

**While M. Rajendran has been appointed as an executive Director for a period of five years, he is liable to retire by rotation with respect to his directorship.*
*** Rakesh Sony is a nominee director of India Business Excellence Fund. Please refer to sub-section titled "History and Corporate Structure- Shareholder Agreements" on Page 160 for more details.*

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the Bombay Stock Exchange or the National Stock Exchange.

None of our Directors is or was a director of any listed company, which has been or was delisted from any recognized stock exchange in India.

Our Company has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors.

Other than S. Rohit, who is the son of S. Kishore Babu and S. Lakshmi, and G. Babu who is a relative of S. Kishore Babu and S. Lakshmi, no other relatives of Directors currently hold any office or place of profit in our Company. S. Rohit was appointed as vice president (global operations) of our Company on September 17, 2014 and is entitled to remuneration of an amount not exceeding ₹ 0.2 million per month pursuant to the approval of our Board in their meeting held on July 7, 2015. G. Babu was appointed on September 11, 2014 as the general manager of the Company and is entitled to a remuneration of ₹ 92,500 per month.

Relationship between our Directors

None of our other Directors are related to each other, except as follows:

1. S. Kishore Babu is the husband of S. Lakshmi; and

2. S. Lakshmi is the wife of S. Kishore Babu.

Biographies of our Directors

Sajja Kishore Babu

Sajja Kishore Babu is the founding Chairman and Managing Director of our Company. He holds a bachelor's degree in technology from Nagarjuna University, Andhra Pradesh, India. He is a first generation entrepreneur, responsible for our Company's growth and business development since its inception. He has several years of experience in the power sector including construction and O&M. He has been instrumental in completing major projects including sub-critical units in scheduled time. He is also the chairman and director of Hydro Magus Private Limited and Power Mech Industri Private Limited, the subsidiaries of our Company and the founder and managing trustee of Power Mech Foundation, a charitable trust.

Sajja Lakshmi

Sajja Lakshmi is a non-executive Director of our Company. She holds a bachelor's degree in science from Andhra University. She has been associated with our Company since it's inception. She has been responsible for office expansion, human resources and structural modernization of our Company. She has several years of experience in the field of human resources. She is also the chairperson of Power Mech Foundation and is involved in social work.

Murugesan Rajendran

Murugesan Rajendran is the executive Director and chief operational officer of our Company. He holds a bachelor's degree in civil engineering from University of Madras. He has more than 30 years of experience in construction engineering and has exposure to erection of BTG and BOP of power projects. He is responsible for our Company's overall business operations. He has been associated with our Company since the year 2002. He has been instrumental in the Company receiving ISO certification. Prior to joining our Company, he was associated with BHEL and Sunil Hi-Tech Private Limited. He is also a member of the Institution of Engineers and The Indian Institute of Welding.

Thiagarajan Sankaralingam

Thiagarajan Sankaralingam is a non-executive independent Director of our Company. He holds a bachelor's degree in electrical engineering from Regional Engineering College (now known as National Institute Technology), Trichy, affiliated to Madras University. He joined BHEL in 1973 and later NTPC. He became the director (projects) of NTPC in August 2011 and served as chairman and managing director from April, 2006 to April, 2008. He served as chairman of the jury of International Project Management Association award committee for the year 2006. Post superannuation from NTPC, he was the managing director of BGR Energy Systems Limited from September 2009 to December 2012 and Cuddalore Power Company Limited from January 2010 to October 2012. Currently he is the non-executive chairman of East Coast Energy Private Limited and Bhubaneswar Power Private Limited and non-executive independent director of Athena Chattisgarh Power Private Limited. He has around 40 years of experience in the power sector. He is the recipient of Eminent Engineer Award from Institution of Engineering and Technology, Delhi. He is also a fellow member of Institution of Engineers, India.

Amitabha Guha

Amitabha Guha is a non-executive independent Director of our Company. He holds a bachelor's and a master's degree in science from University of Calcutta. He has over 40 years of experience in the banking sector and has served as the managing director of State Bank of Travancore and State Bank of Hyderabad as well as deputy managing director of State Bank of India. Currently, he is the part time non-executive chairman of the South Indian Bank Limited, independent director of Gangavaram Port Limited, XPRO India Limitedand Ramkrishna Forgings Limited. He is also on the member board of governors, Asian School of Business Management, Bhubaneswar.

Mukul Lal Sah

Mukul Lal Sah is a non-executive independent Director of our Company. He holds a bachelor's degree in mechanical engineering from Birla Institute of Technology and Science, Pilani. He joined BHEL where he rose to the level of executive director. He has around 40 years of experience in project management, construction management, service after sales and project related purchases.

Gorijala Durga Vara Prasada Rao

Gorijala Durga Vara Prasada Rao is a non-executive independent Director of our Company. He holds a bachelor's degree in chemical engineering from Andhra University and a master's degree, also in chemical engineering from University of Madras. He commenced his career in the fertilizer industry and later joined

Andhra Bank as a technical officer for project appraisal. Having served in different capacities all over India he rose to the rank of a general manager in Andhra Bank after a service of 28 years and 10 months. He has several years of experience in the banking sector. He is the vice president of HEAL (Health and Education for All), a non government organization providing health and education to orphans and poor children.

Rakesh Sony

Rakesh Sony is a non-executive nominee Director of our Company, representing India Business Excellence Fund, one of the Selling Shareholders. He holds a bachelor's degree in commerce from St. Xavier's College, Kolkata and is also an associate of the Institute of Chartered Accountants of India. He is working as a director (private equity) with MOPE Investment Advisors Private Limited ("**MOPE**"). In the last 6 years with MOPE, Rakesh Sony has been part of various investments and divestments of portfolio companies. Before joining MOPE in October 2008, Rakesh Sony was the chief executive officer and managing director of Microsec Capital Limited and has worked with Lodha Capital Markets Limited as a manager (investment banking). He has over 15 years of experience in investment management, investment banking and corporate finance services.

Shareholding of Directors

Except as provided hereunder, no other Directors hold any Equity Shares in the equity share capital of our Company.

In terms of our Articles of Association, the Directors are not required to hold any qualification shares.

For details of shareholding of our Directors in our Company, please refer to the sub-section titled "*Capital Structure- Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoter Companies"* on Page 99.

None of our Directors hold any shares in any of our Subsidiaries.

Terms of appointment of Executive Directors

S. Kishore Babu

S. Kishore Babu was re-appointed as our Chairman and Managing Director, pursuant to a resolution of our Board dated March 12, 2011 for a period of 5 years, with effect from April 1, 2011. The following are the terms of remuneration of S. Kishore Babu as the Chairman and Managing Director of our Company, with effect from January 1, 2014:

Particulars	**Amount (₹)**
Basic salary	700,000
House rent allowance/ rent free accommodation	40.00% of basic salary
Leave travel concession	Two months basic salary per annum
Electricity, gas and water	Actuals
Medical reimbursement	One month basic salary per annum for self and family
Hospitalisation for self	As per rules of the Company
Personal accident insurance	As per rules of the Company
Club membership fees	Only fees of the club excluding admission and life membership
Credit card	As per rules of the Company
Magazines and books	Maximum ₹ 100,000 per annum

In addition to the above, he is also entitled to provident fund, superannuation fund, gratuity and encashment of leave as per the rules of the Company. Further, he is entitled to receive commission such that the aggregate of the remuneration and commission does not exceed 5.00% of net profits of the Company computed in accordance with the Companies Act.

M. Rajendran

M. Rajendran was appointed as Director (operations) and Chief Operating Officer pursuant to a resolution of our Board, dated March 1, 2013 and a resolution of our Shareholders dated July 5, 2013 for a period of 5 years with effect from April 1, 2013. M. Rajendran is eligible to receive a remuneration of ₹ 183,000 per month as the whole time Director of our Company, with effect from January 1, 2015, pursuant to a resolution of our Board dated January 9, 2015 and a resolution passed by the shareholders of our Company at the Extraordinary General Meeting dated February 9, 2015. In addition, the shareholders of our Company at the Extraordinary General Meeting dated February 9, 2015 have authorized the Board to increase the remuneration of M. Rajendran up to ₹ 45,000 paid per month each year including all perquisites and allowances during the tenure of his appointment.

Remuneration paid to Directors

The sitting fees/ other remuneration paid to our Directors is as follows:

1. **Executive Directors**

The aggregate value of remuneration paid to the Executive Directors in Financial Year 2014 is as follows:

(*₹ in million*)

Name of Director	Salary
S. Kishore Babu	56.53
M. Rajendran	1.56
G. Srinivasulu	1.14
A.R.N. Rao	0.60

The aggregate value of remuneration paid to the Executive Directors in Financial Year 2015 is as follows:

(*₹ in million*)

Name of Director	Salary
S. Kishore Babu	55.77*
M. Rajendran	1.81
G. Srinivasulu	0.29
A.R.N. Rao	0.15

**Includes commission paid for FY 2015*

The aggregate value of remuneration paid to the Executive Directors in Financial Year 2016 (up to June 2015) is as follows:

(*₹ in million*)

Name of Director	Salary
S. Kishore Babu	2.10
M. Rajendran	0.55

2. **Non-Executive Directors**

The details of sitting fees paid to our Non-Executive Directors in the Financial Year 2014 are as follows:

(*₹ in million*)

Name of Director	Sitting fees
G.D.V. Prasada Rao	0.04
Jagan Mohan	0.04
M. L. Sah	0.04
S. Lakshmi	Nil
Rakesh Sony	Nil

The details of sitting fees paid to our Non-Executive Directors in the Financial Year 2015 are as follows:

(*₹ in million*)

Name of Director	Sitting fees
G.D.V. Prasada Rao	0.33
M. L. Sah	0.23
Amitabha Guha	0.23
T. Sankaralingam	0.33
Jagan Mohan	0.02
S. Lakshmi	Nil
Rakesh Sony	Nil

The details of sitting fees paid to our Non-Executive Directors in the Financial Year 2016 (up to June 2015) are as follows:

(₹ *in million*)

Name of Director	Sitting fees
G.D.V. Prasada Rao	0.10
M. L. Sah	0.10
Amitabha Guha	0.10
T. Sankaralingam	0.10
S. Lakshmi	Nil
Rakesh Sony	Nil

Bonus or profit sharing plan for our Directors

Other than payments made in relation to commission to S. Kishore Babu, the Company has not made any payments to its Directors pursuant to a bonus or a profit sharing plan.

No remuneration has been paid or is payable by our Subsidiaries to our Directors.

Borrowing Powers of the Board of Directors

As per the Articles of the Company, the Board is authorised to exercise all the powers of the Company to borrow money, subject to the provisions of the Articles and the Companies Act.

The shareholders of our Company, through a resolution passed at the Extraordinary General Meeting dated February 9, 2015, authorised our Board to borrow from time to time monies (apart from temporary loans from the Company's bankers in the ordinary course of business) for the purpose of the Company in excess of the aggregate of the paid-up capital of the Company and its free reserves (excluding those reserves set apart for any specific purpose), provided that the total amount of such borrowings together with the amounts already borrowed and outstanding shall not exceed a sum of ₹ 15,000 million.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others, except for our nominee Director, Rakesh Sony, nominated by the Investors pursuant to the terms of the Original SSHA. For further details of the Original SSHA, see the sub-section titled "*History and Corporate Structure-Shareholders' Agreements*" on Page 160.

Corporate Governance

The provisions of the Listing Agreement and the Companies Act, 2013 with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance code in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013, particularly, in relation to appointment of independent Directors to our Board and constitution of the audit committee, the stakeholders' relationship committee, the nomination and remuneration committee and the risk management committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 49 of the Listing Agreement and the Companies Act, 2013.

Currently the Board has eight Directors, comprising of two Executive Directors, two Non-Executive Directors and four Independent Directors, thereby constituting fifty percent of our Board of Directors. This is in compliance with Clause 49 of the Listing Agreement.

In terms of the Clause 49 of the Listing Agreement and the provisions of Companies Act, 2013, our Company has constituted the following committees:

Committees of the Board

1. Audit Committee

The Audit Committee was constituted by our Board of Directors in their meeting held on March 31, 2008. The Audit Committee was re-constituted in a meeting of our Board of Directors held on June 26, 2014. The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act and Clause 49 of the Listing Agreement.

At present, the members of the Audit Committee are:

(i) G.D.V. Prasada Rao (*Chairman*);
(ii) Rakesh Sony (*Member*); and
(iii) Amitabha Guha (*Member*).

The terms of reference of the Audit Committee are as follows:

(a) Overseeing the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are true, accurate and credible and provide sufficient information;

(b) Recommending to the Board, the appointment, re-appointment and the replacement or removal of the statutory and internal auditors and the fixation of audit fees;

(c) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(d) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(e) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of Section 134 (5) of the Companies Act, 2013 (i.e., erstwhile clause (2AA) of section 217 of the Companies Act, 1956);
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications in the draft audit report.

(f) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(g) Approval of the appointment of the Chief Financial Officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate, and, reappointment and removal of the same;

(h) Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, availability and deployment of resources to complete their responsibilities and the performance of the out-sourced audit activity;

(i) Discussion with internal auditors with respect to the coverage and frequency of internal audits as per the audit plan, nature of significant findings and follow up thereof;

(j) 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;

(k) Obtaining an update on the risks management framework and the manner in which risks are being addressed;

(l) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(m) Review the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any;

(n) To review the functioning of the vigil mechanism policy! whistle blower mechanism and the nature of complaints received by the ombudsman;

(o) The Audit Committee is empowered, pursuant to its terms of reference, to investigate any activity within its terms of reference, to seek any information it requires from any employee, to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary;

(p) The Audit Committee shall mandatorily review the following:

- Management discussion and analysis of financial condition and results of operations;
- Management certificates on internal controls and compliance with laws and regulations, including any exceptions to these;
- Management letters /letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief internal auditor; and
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.

(q) Approval or subsequent modification of transactions of the Company with related parties;

(r) Valuation of undertakings or assets of the Company, wherever it is necessary;

(s) Evaluation of internal financial controls and risk management systems;

(t) Monitoring the end use of funds raised through public offers and related matters;

(u) Scrutiny of inter-corporate loans and investments; and

(v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee is required to meet at least four times in a year in accordance with Clause 49 of the Listing Agreement.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a meeting of our Board of Directors held on May 13, 2014. The Board at its meeting held on June 26, 2014, reconstituted the Nomination and Remuneration Committee.

At present, the members of the Nomination and Remuneration Committee are:

(i) T. Sankaralingam (*Chairman*);
(ii) Rakesh Sony (*Member*); and
(iii) M. L. Sah (*Member*).

The terms of reference of the Nomination and Remuneration Committee are as follows:

(a) Attraction and retention strategies for employees;

(b) Determine the compensation (including salaries and salary adjustments, incentives, benefits, bonuses) and performance targets of the Chairman, Managing Director, COO, CFO, CEO & other senior management personnel;

(c) Review employee development strategies;

(d) Assess the learning and development needs of the directors and recommend learning opportunities which can be used by directors to meet their needs for development;

(e) Review its terms of reference on an annual basis and recommend any changes to the Board;

(f) Review all human resource related issues including succession plan of key personnel;

(g) The Committee shall also consider any other key issues *I* matters as may be referred by the Board or as may be necessary in view of any other statutory provisions;

(h) Formulation of ESOP plans and decide on future grants;

(i) Formulation of terms and conditions on following under the present ESOP Schemes of the Company with respect to:

- Quantum of options to be granted under ESOP Scheme(s) per employee and in the aggregate under a plan;
- Performance conditions attached to any ESOP Plan;
- Conditions under which options vested in employees may lapse in case of termination of employment for misconduct;
- Exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period; Specified time period within which the employee must exercise the vested options in the event of termination or resignation of an employee;
- Right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(j) Procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as the rights issues, bonus issues, merger, sale of division and others. In this regards, the following be taken into consideration by the committee:

- The number and the price of ESOS shall be adjusted in a manner such that total value of the ESOS remains the same after the corporate action.
- Global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered.
- The vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders.

(k) Grant, vest and exercise of option in case of employees who are on long leave; and the procedure for cashless exercise of options;

(l) To frame suitable policies and processes to ensure that there is no violation of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.

(m) Other key issues as may be referred by the Board;

(n) Tax on issue of options or the shares upon exercise of the options;

(o) Any other matter which may be relevant for administration of ESOP schemes from time to time.

(p) Review and recommend the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board of Directors and Board Committees;

(q) Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities required for particular appointment;

(r) Formulate a criteria for determining qualifications, positive attributes and independence of a director;

(s) Recommend to the Board a policy for the remuneration of directors, key managerial personnel and other employees;

(t) Identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise;

(u) Review succession planning for executive and non-executive Directors and other senior executives particularly the Chairman and CEOs;

(v) Recommend the appointment of any director to executive or other employment/place of profit in the Company;

(w) Conduct an annual evaluation of the overall effectiveness of the Board and the committees of the Board;

(x) Recommend the sitting fees to be paid to Non Executive Directors;

(y) Formulation of criteria for evaluation of Independent Directors and the Board; to consider any other matters as may be requested by the Board; and

(z) Devising a policy on Board diversity.

3. Stakeholders' Relationship Committee

The Stakeholders' Committee was constituted in a meeting of our Board of Directors held on June 26, 2014. The members of the Stakeholders' Committee are:

(i) G.D.V. Prasada Rao (*Chairman*);
(ii) S. Lakshmi (*Member*); and
(iii) M. L. Sah (*Member*).

The terms of reference of the Stakeholders' Committee are as follows:

(a) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(b) Monitor expeditious redressal of investor grievance matters received from the stock exchanges, SEBI, registrar of companies, monitoring redressal of queries / complaints received from members relating to transfers, non-receipt of annual report, non receipt of dividend, redressal of grievances of shareholders, debenture holders and other security holders

(c) To approve, register, refuse to register transfer / transmission of shares and other securities;

(d) To sub-divide, consolidate and / or replace any share or other securities certificate(s) of the. Company;

(e) To authorise affixation of common seal of the Company;

(f) To issue duplicate share other security (ies) certificate(s) in lieu of the original share/security (ies) certificate(s) of the Company;

(g) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

(h) To review of dematerialization or rematerialization of the issued shares and other related matters;

(i) To further delegate all or any of the power to any other employee(s), officer(s) representative(s), consultant(s), professional(s), or agent(s); and

(j) Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted in a meeting of our Board of Directors held on June 26, 2014. The members of the Corporate Social Responsibility Committee are:

(i) S. Kishore Babu (*Chairman*);
(ii) S. Lakshmi (*Member*); and
(iii) G.D.V. Prasada Rao (*Member*).

The terms of reference of the Corporate Social Responsibility Committee are as follows:

(a) Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

(b) Recommend the amount of expenditure to be incurred on the activities undertaken;

(c) Monitor the CSR Policy of the Company and its implementation from time to time;

(d) Evaluate social impact of the Company's CSR Activities;

(e) Review the Company's disclosure of CSR matters including any annual social responsibility report;

(f) Review the following, with the management, before submission to the Board for approval:

- CSR Report;
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent by Power Mech Foundation or any other charitable organization to which the Company makes contribution, for the intended purpose only; and
- Consider other functions, as defined by the Board, or as may be stipulated under any law, rule or regulation including the Listing Agreement, Corporate Social Responsibility under the Companies Act, 2013.

5. IPO Committee

The IPO committee was constituted in a meeting of our Board of Directors held on June 26, 2014 to facilitate the Company to undertake the IPO. The members of the IPO committee are:

(i) M. Rajendran (*Chairman*);
(ii) Rakesh Sony (*Member*); and
(iii) G.D.V. Prasada Rao (*Member*).

Interest of Directors

The independent Directors may be interested to the extent of fees payable to them and/or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. All our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors 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.

All our Directors may also be regarded as interested in our Company to the extent of Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and 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.

Other than S. Kishore Babu and S. Lakshmi who are our Promoters, none of our Directors have any interest in the promotion of our Company.

Except as provided in this section and the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

Except as disclosed below, our Directors have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

1. Our Company has entered into a lease agreement with S. Kishore Babu dated January 1, 2014 for lease of the premises situated at D. No. 8-2-293/82/a/839-T1 and 8-2-293/82/a/839-T1/A, Road No. 44A, Jubilee Hills, GHMC, Hyderabad 500 033, admeasuring 15,000 sq. feet, from January 1, 2014 to December 31, 2016. In terms of the said lease agreement, our Company is required to pay rent of ₹ 150,000 per month with effect from January 1, 2014 and the rent is subject to increase by 10.00% every two years for the remaining term of the agreement.

2. Our Company has entered into a lease agreement with S. Kishore Babu dated April 1, 2014 for lease of the premises situated at Flat no. 606, 6th Floor, Express Towers, Kondapur, Opposite Botanical Gardens, Hyderabad, admeasuring 1,850 sq. feet, from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 30,000 per month with effect from April 1, 2014.

3. Our Company has entered into a lease agreement with S. Kishore Babu dated April 1, 2014 for lease of the premises situated at D. No. 8-181, Lakshmi Nilayam, Kanuru, Vijayawada, admeasuring 871.20 sq. feet, from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 25,000 per month with effect from April 1, 2014.

4. Our Company has entered into a lease agreement with S. Kishore Babu dated April 1, 2014 for lease of the premises situated at RCC shed at Mahadeva Puram Colony, Kanuru, Vijayawada, admeasuring 3600 sq. ft. from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 35,000 per month with effect from April 1, 2014.

5. Our Company has entered into a lease agreement with S. Lakshmi dated April 1, 2014 for lease of the premises situated at A.C. Roof Shed at Plot No. 90-3, Tadepalli Post, behind Highway Towers, Guntur Dt. State, admeasuring 10,814 sq. ft. from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 60,000 per month with effect from April 1, 2014.

6. Our Company has entered into a lease agreement with S. Lakshmi dated April 1, 2015 for lease of the premises situated at flat no. 202, second floor, Parijat Apartment, Vikas Nagar, near Sai Mandir, Wardha Road, Nagpur, Maharashtra, having plinth area of 1192 sq. ft. and car parking from April 1, 2015 to March 31, 2016. In terms of the said lease agreement, our Company is required to pay rent of ₹ 20,000 per month with effect from April 1, 2015.

Except as stated in the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Loans taken by Directors

No loans have been availed by our Directors from our Company.

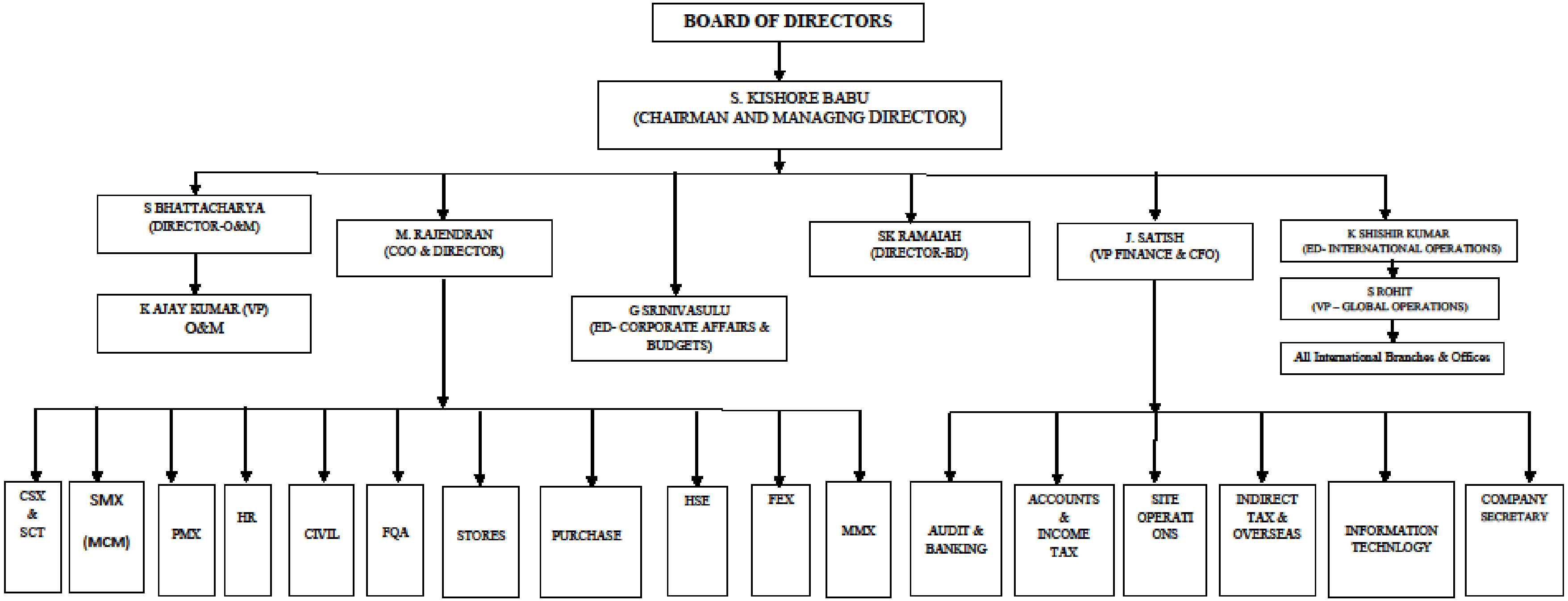
Except in relation to the mobilisation advances provided to Power Mech Infra Limited, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors or Promoters of our Company.

Further, except statutory benefits upon termination of their employment in our Company on retirement, neither our Directors nor the Key Management Personnel, are entitled to any benefits upon termination of employment.

Changes in the Board of Directors during the last three years:

S. No	Name of the Director	Date of Change in Designation/Cessation	Reason
1.	G. Srinivasulu	September 26, 2012	Retired by rotation
2.	G. Srinivasulu	September 26, 2012	Re-appointed as a Director
3.	A.R.N. Rao	September 26, 2012	Retired by rotation
4.	A.R.N. Rao	September 26, 2012	Re-appointed as a Director
5.	M. L. Sah	September 26, 2012	Confirmed as a Director
6.	A.R.N. Rao	March 1, 2013	Re-appointed as a Director
7.	G. Srinivasulu	March 1, 2013	Re-appointed as a Director
8.	M. Rajendran	March 1, 2013	Re-appointed as a Director
9.	M. Rajendran	September 30, 2013	Retired by rotation
10.	M. Jagan Mohan	September 30, 2013	Retired by rotation
11.	M. Rajendran	September 30, 2013	Re-appointed as a Director
12.	M. Jagan Mohan	September 30, 2013	Re-appointed as a Director
13.	G. Srinivasulu	June 26, 2014	Resignation
14.	A.R.N. Rao	June 26, 2014	Resignation
15.	M. Jagan Mohan	June 26, 2014	Resignation
16.	Amitabha Guha	June 26, 2014	Appointed as an additional Director
17.	T. Sankaralingam	June 26, 2014	Appointed as an additional Director
18.	S. Lakshmi	September 30, 2014	Re-appointed as Director
19.	Amitabha Guha	September 30, 2014	Confirmed as Director
20.	T. Sankaralingam	September 30, 2014	Confirmed as Director
21.	G.D.V Prasada Rao	September 30, 2014	Appointed as independent Director under the Companies Act, 2013
22.	M.L. Sah	September 30, 2014	Appointed as independent Director under the Companies Act, 2013

Management Organization Structure



LEGEND:

COO – CHIEF OPERATING OFFICER
ED – EXECUTIVE DIRECTOR
BD: BUSINESS DEVELOPMENT
VP –VICE PRESIDENT
CFO – CHIEF FINANCIAL OFFICER
O&M : OPERATIONS & MAINTENANCE GROUP
CSX & SCT: COMMERCIAL AND SUBCONTRACTORS GROUP
SMX: SITE MANAGEMENT GROUP
MCM: MANAGEMENT COMMITTEE MEMBERS
PMX: PROJECT MANAGEMENT GROUP
HR: HUMAN RESOURCE
FQA: FIELD QUALITY ASSURANCE
SMX: SITE MANAGEMENT GROUP
HSE: HEALTH AND SAFETY ENVIRONMENT GROUP
FEX : FACILITY AND ENGINEERING GROUP
MMX: MATERIAL MANAGEMENT GROUP

Key Management Personnel

Biographies of Key Management Personnel

Sajja Kishore Babu*

For details, refer to biography on Page 168 above.

Murugesan Rajendran*

For details, refer to biography on Page 169 above.

Jami Satish*

Jami Satish holds the position of vice president (finance and accounts) and designated as Chief Financial Officer of our Company. He holds a bachelor’s degree in commerce from Berhampur University and an executive degree in master’s of business administration from National Institution of Business Management and is also an associate of the Institute of Chartered Accounts of India. He has nearly 15 years of work experience in finance and accounts. He is responsible for overseeing the corporate finance, accounts, statutory & internal audit, financial projection and forecasting and treasury management of our Company. Prior to joining our Company, he has worked with Indu Projects Limited as general manager (finance), Emaar MGF Land Limited as finance and administration manager, S.B. Billimoria & Co. as senior consultant, Kerzner International Limited as finance controller of a resort and Price Waterhouse Coopers as audit senior. He joined our Company on October 20, 2014.

Mohit Gurjar*

Mohit Gurjar is the company secretary and compliance officer of our Company. He holds a bachelor’s degree in commerce from the Osmania University. He is an associate of the Institute of Company Secretaries of India. He has experience of over six years in secretarial and legal functions. He joined our Company on July 1, 2009.

Vipin Kumar Chaudhari

Vipin Kumar Chaudhari holds the position of associate vice president (site management group) of our Company. He holds a bachelor’s degree in mechanical engineering from Institute of Engineers, West Bengal. He has over 20 years of work experience in the energy sector. He is responsible for overseeing the execution of Tamnar, Dahej-Thermax, Nawapara & Dahej projects. Prior to joining our Company, he had worked with Shapoorji Pallonji & Company Limited as additional general manager (structural), Sunil Hi-Tech Engineers Limited, Flex Engineering Limited as executive officer - maintenance and Supreme Industries Limited as assembly engineer. He was appointed on September 1, 2013.

Kantheti Ajay Kumar

Kantheti Ajay Kumar holds the position of vice president (O&M) of our Company. He holds a bachelor’s degree in mechanical engineering from University of Madras, Tamil Nadu. He has several years of work experience in the energy sector. He is responsible for overseeing the operations & maintenance of all projects in India and abroad. He was appointed on November 20, 1999.

Mandava Ramesh

Mandava Ramesh holds the position of vice president – civil (site management group) of our Company. He holds a bachelor’s degree in civil engineering from Kakatiya University. He has several years of work experience in the energy sector. He is responsible for overseeing the execution of civil works of Surathgarh, Raichur and Namrup projects. Prior to joining our Company, he had worked with Indure Private Limited as vice president. He was appointed on June 24, 2014.

Ravulapalli Murali Krishna

Ravulapalli Murali Krishna holds the position of general manager (commercial and subcontractors’ group) of our Company. He holds a bachelor’s degree in mechanical engineering from Gulbarga University. He has several years of work experience in energy sector. He is responsible for overseeing the commercial & sub-contracts of our Company. He was appointed on July 22, 1999.

Sudha Krishnappa Kodandaramaiah

Sudha Krishnappa Kodandaramaiah holds the position of director (business development) of our Company. He holds a bachelor's degree in mechanical engineering from Bangalore University, master's degree in mechanical engineering from Birla Institute of Technology and Science, Pilani. He has several years of work experience in energy sector. He is responsible for overseeing the business development of our Company. Prior to joining our Company, he has worked with Sunil Hi-Tech Engineers Limited and Bharat Heavy Electricals Limited. He was appointed on May 8, 2013.

Talluri Rama Rao

Talluri Rama Rao holds the position of deputy general manager (finance and accounts) of our Company. He holds a bachelor's degree in commerce from Kakatiya University and is a member of the Institute of Chartered Accountants of India. He has 11 years of work experience in accounting, costing and finance. He is responsible for overseeing the financial activities of our Company and has led the SAP ERP implementation in our Company. Prior to joining our Company, he had worked with Avantel Limited as senior manager and chief financial officer, Rane group as assistant manager and P. Murali Krishna Prasad & Co., Chartered Accountants. He was appointed on March 1, 2011.

Sammeta Venkata Nageswara Rao

Sammeta Venkata Nageswara Rao holds the position of deputy general manager (finance and taxation) of our Company. He holds a bachelor's degree in commerce from Nagarjuna University, master's degree in business administration from Acharya Nagarjuna University and cost and works accounts (inter) from Institute of Cost and Works Accountants of India. He has over 10 years of work experience in taxation. He is responsible for overseeing the taxation activities of our Company. He was appointed on February 1, 2004.

Gudipati Srinivasulu

Gudipati Srinivasulu, holds the position of executive director (corporate affairs), non Board member of our Company. He holds a bachelor's degree in mechanical engineering from Osmania University. He has nearly 15 years of experience in power industry. He is responsible for overseeing the execution of Bokaro, Jamnagar, Mauda, Paradeep, Sagardighi and all back to back sites of our Company. In addition, he is also responsible for monthly budget and fund allocation of our Company. He has been associated with the company since its inception on July 22, 1999.

Sajja Rohit

Sajja Rohit holds a bachelor's degree in mechanical engineering from Vellore Institute of Technology, Vellore and a master's degree in engineering management from the University of South California. He is the vice president, global operations, of our Company and is responsible for execution and co-ordination of global operations which includes territory growth through strategic business planning and corporate revenue goals, managing business partnership opportunities, managing pricing, maintenance and user contracts, liaisoning with corporate clients, planning use of materials and human resources, developing long term approach that redefine problems/opportunities in anticipation of changing business conditions. He has around 1 year of experience in the power sector. He was appointed on September 17, 2014.

Shishir Kumar Kudasbehar

Shishir Kumar Kudasbehar holds a bachelor's degree in mechanical engineering from Maulana Azad College of Technology, Bhopal. He is the executive director (strategic business/ international operations) of our Company and is responsible for the exploration and growth of new business offerings and nurturing of long term relationships with clients across the globe and in India, sourcing strategy, rights, privacy, use governance, business development, creating tactical plans to generate short term and long term revenues. He has around 25 years of experience in the power sector. Prior to joining our Company he was associated with BHEL as the additional general manager. He was appointed on December 17, 2014.

Meka Veera Venkata Satyanarayana Chowdary

Meka Veera Venkata Satyanarayana Chowdary holds a diploma in mechanical engineering from State Board of Technical Education and Training, Hyderabad (A. P.). He is the Vice President (Store and Purchases, Facility Engineering) of our Company and is responsible for overseeing the store, purchase and facility engineering services of all projects. He has around 30 years of experience in erection, testing and commissioning of power plants. Prior to joining our Company he has was associate with Indwell Constructions Limited. He was appointed on November 17, 2014.

Rayasam Umakanth

Rayasam Umakanth holds a bachelor's degree in commerce (honours) from Osmania University and a master's degree in personal management from University of Poona. He is the vice president (human resource and administration) of our Company. He has several years of experience in human resource management, administration and liasoning. He is responsible for overseeing the human resources of our Company. Prior to joining our Company he was associated with LANCO Infratech Limited as the general manager, human resource and administration, ECI Engineering and Construction Company Limited as the vice president, human resource and administration and Spectrum Power Generation Limited as assistant general manager (personnel and administration). He was appointed on February 9, 2015.

Jasbir Singh Arora

Jasbir Singh Arora is the vice president (commercial and sub-contractors' group) of our Company. He holds a bachelor's degree in mechanical engineering from University of. Allahabad. He has over thirty five years of experience in the power industry. Prior to joining our Company, he has worked with BHEL and NTPC BHEL Power Projects Private Limited. He is responsible for overseeing the subcontractors and commercials in our Company. He was appointed on July 8, 2015.

Sanjay Bhattacharya

Sanjay Bhattacharya is the director (O&M) of our Company. He holds a master's degree in mechanical engineering from Indian Institute of Science, Bangalore. He has over thirty years of experience in the power industry. Prior to joining our Company, he has worked with The Tata Power Company Limited and Jindal India Thermal Power Limited at the senior management level. He is responsible for the O&M business of our Company. He was appointed on July 13, 2015.

**Sajja Kishore Babu, Murugesan Rajendran, Jami Satish and Mohit Gurjar are also the key management personnel of our Company as per the Companies Act, 2013.*

Our Company has not entered into any service contracts with our Key Management Personnel which provide for benefits upon termination of employment of our Key Management Personnel.

Relationship between Key Management Personnel

Except S. Rohit, who is the son of S. Kishore Babu, there is no family relation between the Key Management Personnel of our Company.

Remuneration paid to Key Management Personnel

The remuneration paid to our Key Management Personnel for the FY 2015 is as follows:

(₹ *in million*)

S. No	Name of Key Management Personnel	Remuneration paid
1.	S. Kishore Babu	55.77*
2.	M. Rajendran	1.81
3.	Jami Satish	1.30
4.	Mohit Gurjar	0.85
5.	V. K. Chaudhari	1.90
6.	K. Ajay Kumar	1.32
7.	M. Ramesh	1.48
8.	R. Murali Krishna	0.97

S. No	Name of Key Management Personnel	Remuneration paid
9.	S. K. Kodandaramaiah	3.80
10.	T. Rama Rao	1.08
11.	S. V. Nageswara Rao	0.73
12.	G. Srinivasulu	1.37
13.	S. Rohit	0.65
14.	Shishir Kumar Kudasbehar	1.77
15.	M.V.V.S. Chowdary	0.55
16.	R. Umakanth	0.35
17.	Jasbir Singh Arora	N.A.
18.	Sanjay Bhattacharya	N.A.

**Includes commission paid for FY 2015*

Other than payments made in relation to commission to S. Kishore Babu, the Company has not made any payment under a bonus or a profit sharing plan to its Key Management Personnel.

Shareholding of the Key Management Personnel

Except as provided in the sub-section titled "*Capital Structure- Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoter Companies"* on Page 99 no other Equity Shares are held by the Key Management Personnel as of the date of this Red Herring Prospectus.

Arrangement or understanding with major shareholders, customers, suppliers or others

There are no arrangements or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of the Key Management Personnel was selected as a director or member of the senior management.

Interests of Key Management Personnel

Other than S. Kishore Babu and S. Rohit who are also our Promoters, the Key Management Personnel of our Company do not have any interest in our Company other than to the extent of remuneration or benefits to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business, Equity Shares held, if any. For more details, refer to the section titled "*Our Promoters and Promoter Group"* on Page 186.

Changes in our Key Management Personnel in the last three years

Name	Designation	Date of change	Reason for change
S. K. Kodandaramaiah	Director (business development)	May 8, 2013	Appointment
V. K. Chaudhari	Associate vice president (site)	September 1, 2013	Appointment
P. Chitti Babu	General manager (human resources)	December 1, 2013	Appointment
M. Mohan Babu	Vice president (health safety and environment)	December 1, 2013	Appointment
M. Ramesh	Vice President- civil (site)	June 24, 2014	Appointment
S. Rohit	Vice president (global operations)	September 17, 2014	Appointment
J. Satish	Vice president (finance and accounts)	October 20, 2014	Appointment
M.V.V.S. Chowdary	Vice president (stores and purchases, facility engineering)	November 17, 2014	Appointment
P. Chitti Babu	General manager (human resources)	November 20, 2014	Resignation
Shishir Kumar Kudasbehar	Executive Director (strategic business/ international operations)	December 17, 2014	Appointment
M. Mohan Babu	Vice president (health safety and environment)	January 9, 2015	Resignation
R. Umakanth	Vice president (human resources and admin)	February 9, 2015	Appointment
Jasbir Singh Arora	Vice president (commercial and sub-contractors' group)	July 8, 2015	Appointment
Sanjay Bhattacharya	Director (O&M)	July 13, 2015	Appointment

All our Key Management Personnel are permanent employees of our Company.

Payment or Benefit to Officers of our Company (Non-Salary Related)

No amount or benefit has been paid or given to any officer of our Company within the two preceding years from the date of filing of this Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment, except benefits as per HR policy of the company and performance linked incentives as per the Company's policy.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters are S. Kishore Babu, S. Kishore Babu (HUF), S. Lakshmi, S. Rohit and S. Vignatha. Our Promoters currently hold 9,478,728 Equity Shares, constituting 75.33 % of the pre-issue issued, subscribed and paid-up equity share capital of our Company.

S. No.	Name of the Promoter	Details
1.	 **S. Kishore Babu**	S. Kishore Babu, 52, is the founding Chairman and Managing Director of our Company. He is a resident Indian national. S. Kishore Babu resides at 60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh, India. *Voting identification number*: AGZ0274670 *Driving license number*: 175251986 *Permanent account number*: APLPS3755C For further details, see the section titled "*Our Management*" on Page 168.
2.	 **S. Lakshmi**	S. Lakshmi, 50, is a non-executive Director of our Company. She is a resident Indian national. S. Lakshmi resides at 60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh, India. *Voting identification number*: AP/13/79/432500 *Driving license number*: She does not hold a driving license. *Permanent account number*: ABWPS5336A For further details, see the section titled "*Our Management*" on Page 169.
3.	 **S. Rohit**	S. Rohit, 25, is the vice president (global operations) of our Company. He is a resident Indian national. He is the son of S. Kishore Babu and S. Lakshmi. S. Rohit resides at 59-8-1-17, Plot No. 17, Keerti Apartments, Gayatri Nagar, Vijayawada, 520 010, Andhra Pradesh, India. He is a director in Bombay Avenue Developers Private Limited and Hydro Magus Private Limited. *Voting identification number*: He does not hold a voter's identification card. *Driving license number*: DLFAP016145008 *Permanent account number*: BXTPS9735B For further details, see the section titled "*Our Management*" on Page 182.

S. No.	Name of the Promoter	Details
4.	 **S. Vignatha**	S. Vignatha, 23, holds a bachelor's degree in medicine from NRI Medical College, NTR Medical University of Medical Sciences, Vijayawada. She is currently pursuing M.D. (Pediatrics) from Sri Rama Chandra Medical College and Reserach Insitute, Chennai. She is the daughter of S. Kishore Babu and S. Lakshmi. S. Vignatha resides at 60-22-4/13/1, Opposite Nalanda College Road, Gayatri Nagar, Vijayawada 520 008, Andhra Pradesh, India. She is a director in Power Mech Infra Limited and Bombay Avenue Developers Private Limited. *Voting identification number*: AGZ1948175 *Driving license number*: She does not hold a driving license. *Permanent account number*: CVJPS7028E
5.	**S. Kishore Babu (HUF)**	S. Kishore Babu (HUF) came into existence on July 1, 1963 and S. Kishore Babu is the karta of the HUF. *Permanent account number*: AACHS2575L

For details of the build up of our Promoters' shareholding in our Company, see section titled "*Capital Structure*" on Page 90.

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with them.

Interest of Promoters

Our Promoters are interested in our Company to the extent of their respective shareholding and the dividends declared, if any, directorship in our Company and other distributions in respect of the Equity Shares held by them. For details on the shareholding of our Promoters in our Company, please see the section titled "*Capital Structure*" on Page 90.

Except as mentioned in this section and the sections titled "*Our Business*", "*History and Corporate Structure*", "*Financial Indebtedness*", "*Financial Statements- Restated Standalone Financial Statements- Annexure VI-Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 127, 157, 393, 218 and 307, respectively, our Promoters do not have any interest in our Company other than as promoters.

Our Promoters are also interested in our Company to the extent of their shareholding in our Group Companies. For more details, please refer to the section titled "*Our Group Companies*" on Page 192.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them. For further details please see the section titled "*Our Management*" on Page 165.

Interest of Promoters in the Property of our Company

Except as disclosed below, our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

1. Our Company has entered into a lease agreement with S. Kishore Babu dated January 1, 2014 for lease of the premises situated at D. No. 8-2-293/82/a/839-T1 and 8-2-293/82/a/839-T1/A, Road No. 44A, Jubilee Hills, GHMC, Hyderabad- 500 033, admeasuring 15,000 sq. feet, from January 1, 2014 to December 31, 2016. In terms of the said lease agreement, our Company is required to pay rent of ₹ 150,000 per month with effect from January 1, 2014 and the rent is subject to increase by 10.00% every two years for the remaining term of the agreement.

2. Our Company has entered into a lease agreement with S. Kishore Babu dated April 1, 2014 for lease of the premises situated at Flat no. 606, 6th Floor, Express Towers, Kondapur, Opposite Botanical Gardens, Hyderabad, admeasuring 1,850 sq. feet, from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 30,000 per month with effect from April 1, 2014.

3. Our Company has entered into a lease agreement with S. Kishore Babu dated April 1, 2014 for lease of the premises situated at D. No. 8-181, Lakshmi Nilayam, Kanuru, Vijayawada, admeasuring 871.20 sq. feet, from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 25,000 per month with effect from April 1, 2014.

4. Our Company has entered into a lease agreement with S. Kishore Babu dated April 1, 2014 for lease of the premises situated at RCC shed at Mahadeva Puram Colony, Kanuru, Vijayawada, admeasuring 3,600 sq. feet from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 35,000 per month with effect from April 1, 2014.

5. Our Company has entered into a lease agreement with S. Lakshmi dated April 1, 2014 for lease of the premises situated at A.C. Roof Shed at Plot No. 90-3, Tadepalli Post, behind Highway Towers, Guntur Dt. State, admeasuring 10,814 sq. feet from April 1, 2014 to March 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 60,000 per month with effect from April 1, 2014.

6. Our Company has entered into a lease agreement with S. Lakshmi dated April 1, 2015 for lease of the premises situated at flat no. 202, second floor, Parijat Apartment, Vikas Nagar, near Sai Mandir, Wardha Road, Nagpur, Maharashtra, having plinth area of 1,192 sq. feet and car parking from April 1, 2015 to March 31, 2016. In terms of the said lease agreement, our Company is required to pay rent of ₹ 20,000 per month with effect from April 1, 2015.

7. Our Company has entered into a lease agreement with S. Kishore Babu HUF dated September 1, 2014 for lease of the premises situated at flat no. C 401, C block, Jayabheri Orange County, Gachibowli, R.R. Dist., Telangana, having plinth area of 2,545 sq. feet and two car parkings from September 1, 2014 to August 31, 2017. In terms of the said lease agreement, our Company is required to pay rent of ₹ 60,000 per month with effect from September 1, 2014.

8. Our Company has entered into a license agreement dated November 24, 2009 with S. Rohit for exclusive right to develop the land situated and construction of building at H. No. 1-98/5/5/13, (Western Part), on Plot no. 77, in Sy. No. 66 and 67, Jubilee Enclave, Madhapur village, Serilingampally Mandal and Municipality, RR district, admeasuring 3,600 sq. feet. The right, title and ownership to the extent of two-thirds of the built up area of the building vests with our Company during the subsistence of this Agreement. The term of this license agreement is for a period of 30 years and may be extended at the discretion of our Company. In terms of the said license agreement, our Company is required to pay a license fee of ₹ 75,000 per month with effect from April 2010, which is liable to increase by 10.00% upon completion of every 3 years of the term of this agreement.

Except as stated in the sub-section titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively , our Company has not entered into related party transactions with our Promoters or our Group Companies.

Except as disclosed in the sub-section titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively, our Promoters are not related to any sundry debtors of our Company.

Interest of our Promoters in the Promotion of our Company

Our Company is promoted by our Promoters in order to carry on its present business. Our Promoters are interested in our Company as mentioned in the sub-section titled "*Our Promoters and Promoter Group – Common Pursuits*" on Page 189 and to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Payment or benefits to our Promoters or Promoter Group

Except as stated in the sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*", "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" , "*Our Management*" and "*Our Promoters and Promoter Group*" on Pages 218 and 307, 165 and 186 respectively, there has been no payment or benefits to our Promoters or members of Promoter Group during the two years preceding the filing of this Red Herring Prospectus.

Declarations

There are no violations of securities laws committed by our Promoters, any member of our Promoter Group or any Group Company, in the past or are currently pending against them and neither our Promoters, nor the directors of our Promoters or the persons in control of our Promoters have been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority nor have they been detained as wilful defaulters by the RBI or any other authority.

None of our Promoters is or was a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the filing of this Red Herring Prospectus against our Promoters, except as disclosed under the sections titled "*Risk Factors*" and "*Outstanding Litigation and Defaults*" on Page 16 and 402 respectively.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

There have been no sales or purchases between our Company and members of the Promoter Group where such sale or purchase exceed in value in the aggregate 10.00% of the total sales or purchases of our Company.

Common Pursuits

Power Mech Infra Limited, our Promoter Group company has objects similar to that of our Company. However, Power Mech Infra Limited is not currently involved in any business activities similar to that of our Company, except civil construction.

Pursuant to a non-compete agreement dated October 17, 2014, our Promoters have undertaken not to, directly or indirectly, engage or otherwise carry on or participate or be engaged in any business or services competing with our business except (i) certain civil construction and real estate activities in relation to ongoing projects as agreed under the non-compete agreement dated October 17, 2014; and (ii) providing of cranes and other construction equipment on hire to our Company or to others, by Power Mech Infra Limited. For, further details on related party transactions, to the extent of which our Company is involved, see the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively

Except as stated above, there are no common pursuits among any of our Promoter Group companies and our Company.

Change in Management and control of our Company

There has been no change in management and control of our Company.

Group Companies and Interest of Promoters

For details on the group companies and the nature and extent of interest of the promoters in group companies, please refer to the section titled "*Our Group Companies*" on Page 192.

Companies/Firms from which our Promoters have disassociated themselves in the last three years

Our Promoters have not disassociated with any company during the three years preceding the date of filing of this Red Herring Prospectus.

Experience of the Promoters in the business of our Company

Our Promoters, S. Kishore Babu and S. Rohit have an experience of over twenty nine years and one year each respectively, in the business of our Company. Our Promoters are assisted by a team of highly qualified professionals to manage the operations of our Company.

Promoter Group

In addition to our Promoters, the following individuals and entities form part of the Promoter Group:

1. **Natural Persons forming part of the Promoter Group**:

   The natural persons who form part of the Promoter Group are as follows:

Promoter	Name of the Relative	Relationship
S. Kishore Babu	S. Lakshmi	Wife
	Sajja Satyavathi	Mother
	Late Seshagiri Rao	Father
	Sajja Sivarama Krishna	Brother
	Sajja Sai Malleswara Rao	Brother
	Kantheti Subhasini	Sister
	Koyi Umadevi	Sister
	S. Rohit	Son
	S. Vignatha	Daughter
	Gogineni Babu	Wife's brother
	Gogineni Sekhar Babu	Wife's brother
	Vallabhaneni Sireesha	Wife's sister
	Late Gogineni Sayadevi	Wife's mother
	Late Gogineni Chitta Ranjana Rao	Wife's father
S. Lakshmi	S. Kishore Babu	Husband
	Late Gogineni Sayadevi	Mother
	Late Gogineni Chitta Ranjhana Rao	Father
	Gogineni Babu	Brother
	Gogineni Sekhar Babu	Brother
	Vallabhaneni Sireesha	Sister
	S Rohit	Son
	S Vignatha	Daughter
	Sajja Sivarama Krishna	Husband's brother
	Sajja Sai Malleswara Rao	Husband's brother
	Kantheti Subhasini	Husband's sister
	Koyi Umadevi	Husband's sister
	Sajja Satyavathi	Husband's mother
	Late Seshagiri Rao	Husband's father
S. Rohit	S. Kishore Babu	Father
	S. Lakshmi	Mother

Promoter	Name of the Relative	Relationship
	S. Vignatha	Sister
S. Vignatha	S. Kishore Babu	Father
	S. Lakshmi	Mother
	S. Rohit	Brother
	Sri Siddhartha Nekkanti	Husband
	Srinivasa Rao Nekkanti	Husband’s father
	Rama Devi Nekkanti	Husband’s mother
	Sravan Kumar Nekkanti	Husband’s brother
S. Kishore Babu (HUF)	N.A.	N.A.

2. **Corporate Entities forming part of the Promoter Group**:

The companies and entities, other than those described in section titled “*History and Corporate Structure*” on Page 161, that form part of our Promoter Group, are as follows:

S. No.	Name of the corporate entities forming part of the Promoter Group
1.	Power Mech Infra Limited
2.	Bombay Avenue Developers Private Limited
3.	True Rrav Marketing Private Limited
4.	Lakshmi Agro Farms
5.	Power Mech Foundation

OUR GROUP COMPANIES

The following companies, other than our subsidiaries/ associates, are promoted by our Promoters (including companies under the same management pursuant to Section 370 (1B) of the Companies Act) and thus, are our Group Companies as defined under Schedule VIII of the SEBI ICDR Regulations:

1. Power Mech Infra Limited;
2. Bombay Avenue Developers Private Limited;
3. True Rrav Marketing Private Limited;
4. Lakshmi Agro Farms; and
5. Power Mech Foundation.

No equity shares of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

1. The details of our Group Companies are as follows:

(i) Power Mech Infra Limited

Corporate Information

Power Mech Infra Limited ("**PMIL**") was incorporated as a public limited company on May 15, 2009 under the Companies Act, 1956. The certificate of commencement of business was issued by the assistant Registrar of Companies on May 28, 2009. PMIL's main objects of business are *inter alia* to act as contractors, consultants, advisors engineers, architectures, designers, planners, surveyors, appraisers, valuers, referees and assessors, engineering procuring and commissioning contractors and to undertake works contracts of construction of bridges, roads, buildings and other civil works, etc., purchase, acquire, take on lease or in exchange or in any other lawful manner, area, land, building, structures and to turn the same into account, develop the same and dispose of or maintain the same and to build townships, markets, or other buildings residential and commercial or conveniences, etc., develop and maintain building structures, houses, apartments, hospitals, schools, highways, paths, streets, sideways, roads, ports, water/electric/ sanitary supply systems, producing, manufacturing, laying, installing, erecting of power projects, towers, transformers, transmission cum distribution lines, and to generate supply, distribute, transmit, transform, convert, process, develop store, procure, carry and to deal in electricity, all forms of energy, steam, hydro or tidal, water, wind, solar, and hydrocarbon fuels, without limitation to conventional sources, buy, sell, import, hire, lease, operate, maintain and to deal in any legal manner in all kinds of heavy machinery, equipments, spare parts used in infrastructure and engineering projects.

PMIL is currently engaged in the business of civil construction and providing cranes and other construction equipment(s) on hire.

Interest of our Promoters

Our Promoters hold 66.27% of the equity share capital of PMIL.

Further, our Promoters, S. Kishore Babu, S. Lakshmi and S. Vignatha are also directors on the board of PMIL and may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

Financial information

(₹ in million, except per share data)

Particulars	For the year ended		
	March 31, 2014	**March 31, 2013**	**March 31, 2012**
Equity capital	7.74	5.49	5.49
Sales and other income	593.05	494.30	136.92
Profit/Loss after tax	17.83	26.81	7.92
Reserves and surplus (excluding revaluation reserves)	358.42	184.80	157.99
Earnings per share (Basic)	32.32	48.82	19.70

Particulars	For the year ended		
	March 31, 2014	March 31, 2013	March 31, 2012
Earnings per share (Diluted)	32.32	48.82	19.70
Net Asset Value per share	472.57	346.57	297.75

(ii) Lakshmi Agro Farms

Firm Information

Lakshmi Agro Farms ("**LAF**") is a partnership firm formed on January 31, 2008 under the Indian Partnership Act, 1932.

The main objects of LAF are, *inter alia* animal husbandry, pisciculture, dairy farming and allied agro based products, buy, sell, import, export the products with or without processing, agricultural farming, social foresting and develop agriculture, horticulture, sericulture, etc., development of apartments and complexes, development of real estate, other related or ancillary activities.

LAF is currently engaged in the business of agriculture.

Interest of our Promoters

Our Promoters are eligible to receive 98.00% of profits of LAF.

Financial information

(₹ in million, except per share data)

Particulars	For the Financial Year ended		
	March 31, 2014	March 31, 2013	March 31, 2012
Partners capital	5.98	10.85	12.94
Sales and other Income	2.32	4.41	4.76
Profit / (Loss) after tax	1.01	2.35	2.37
Earnings per share (Basic)	N.A.	N.A.	N.A.
Earnings per share (Diluted)	N.A.	N.A.	N.A.
Net asset value per share	N.A.	N.A.	N.A.

(iii) Bombay Avenue Developers Private Limited

Corporate Information

Bombay Avenue Developers Private Limited ("**BADPL**") was incorporated as a private limited company on July 13, 2009 under the Companies Act, 1956. BADPL's main objects of business are *inter alia* civil construction, land developers, real estate developers, build, operate and transfer all types of structural and pilling engineering work, prepare designs, engineering models, project reports, construct, erect, build, repair remodel ,demolish ,develop, improve and maintain buildings, structures, purchase, acquire, take on lease, or in exchange or in any other lawful manner any area, land, building structures and to turn the same into account, develop the same and dispose of or maintain the same in any manner whatsoever.

BADPL is currently engaged in the business of real estate.

Interest of our Promoters

Our Promoters hold 79.72% of the equity share capital of BADPL.

Further, our Promoters, S. Kishore Babu, S. Lakshmi and S. Rohit, are also directors on the board of BADPL and may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

Financial information

(₹ in million, except per share data)

Particulars	For the year ended		
	March 31, 2014	**March 31, 2013**	**March 31, 2012**
Equity capital	3.18	3.18	1.00
Sales and other income	Nil	Nil	Nil
Profit/Loss after tax	(0.06)	(0.03)	(0.03)
Reserves and surplus (excluding revaluation reserves)	11.77	11.83	3.14
Earnings per share (Basic)	(0.19)	(0.31)	(0.28)
Earnings per share (Diluted)	(0.19)	(0.31)	(0.28)
Net Asset Value per share	47.01	47.20	41.44

(iv) True Rrav Marketing Private Limited

Corporate Information

True Rrav Marketing Private Limited ("**TRMPL**") was incorporated as a private limited company on June 7, 2002 under the Companies Act, 1956. TRMPL's main objects of business are *inter alia* e-education, e-commerce services, e-commerce activities, provision of consultancy in relation to marketing, market development, product launching brand building, computer hardware and software development.

TRMPL is not undertaking any business as on date.

Interest of our Promoters

None of the Promoters of our Company hold any shares in TRMPL. PMIL, our Group Company, holds 100.00% of the equity share capital of TRMPL.

Further, our Promoters, S. Kishore Babu and S. Lakshmi, are also directors on the board of TRMPL and may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

Financial information

(₹ in million, except per share data)

Particulars	For the year ended		
	March 31, 2014	**March 31, 2013**	**March 31, 2012**
Equity capital	0.10	0.10	0.10
Sales and other income	0.06	0.00	0.65
Profit/Loss after tax	0.02	(0.05)	0.00
Reserves and surplus (excluding revaluation reserves)	(0.11)	(0.13)	(0.05)
Earnings per share (Basic)	1.88	(5.76)	0.26
Earnings per share (Diluted)	1.88	(5.76)	0.26
Net Asset Value per share	(0.90)	(2.78)	4.54

(v) Power Mech Foundation

Trust Information

Power Mech Foundation, is a trust formed on May 13, 2009 under the (Indian) Trust Act, 1882.

The main object of Power Mech Foundation is to serve the cause of medical relief, educational relief, rehabilitation of the poor and suffering in times of distress due to vagaries of nature, those poor who sustain loss of property etc. on account of fire accidents or otherwise.

Power Mech Foundation is currently engaged in social activities covering providing education, drinking water and books to the poor, organising blood donation camps, cataract surgery camps and running an ambulance in Vijayawada.

Interest of our Promoters

S. Kishore Babu, S. Lakshmi, S. Rohit and S. Vignatha are the trustees of Power Mech Foundation.

Financial information

(*₹ in million*)

Particulars	For the Financial Year ended		
	March 31, 2014	**March 31, 2013**	**March 31, 2012**
Corpus Fund	40.59	30.21	25.23
Reserves and surplus (excluding revaluation reserves)	Nil	Nil	Nil
Total income	2.74	2.04	1.53
Surplus/ (Deficit) as per Income and Expenditure Account	(0.97)	(2.00)	(1.48)

2. **Group Companies with negative net-worth:**

TRMPL, one of our Group Companies, had a negative net-worth as per the last disclosed financial statements. For further details, see the sub-section titled "*Our Group Companies – True Rrav Marketing Private Limited*" on Page 194.

3. **Joint Venture Company with negative net- worth:**

Our Company does not have any joint venture companies that have a negative net- worth.

4. **Group Companies incorporated outside India with negative net-worth:**

Our Company does not have any Group Companies incorporated outside India.

5. **Loss making Group Companies:**

BADPL and TRMPL are loss making Group Companies as per the Restated Consolidated Financial Statements. For further details, see the sub-sections titled "*Our Group Companies – Bombay Avenue Developers Private Limited*" on Page 193 and "*Our Group Companies – True Rrav Marketing Private Limited*" on Page 194.

Nature and Extent of Interest of Group Companies

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Red Herring Prospectus with SEBI

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Red Herring Prospectus.

(c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Litigation

For details relating to the legal proceedings involving the Group Companies, see the section titled "*Outstanding Litigation and Defaults*" on Page 428.

Common Pursuits

Power Mech Infra Limited, our Group Company has objects similar to that of our Company. However, Power Mech Infra Limited is not currently involved in any business activities similar to that of our Company, except civil construction.

Pursuant to a non-compete agreement dated October 17, 2014, our Promoters have undertaken not to, directly or indirectly, engage or otherwise carry on or participate or be engaged in any business or services competing with our business except (i) certain civil construction and real estate activities in relation to ongoing projects as agreed under the non-compete agreement dated October 17, 2014; and (ii) providing of cranes and other construction equipment on hire to our Company or to others, by Power Mech Infra Limited..

For, further details on related party transactions, to the extent of which our Company is involved, see the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively.

Except as stated above, there are no common pursuits among any of our Group Companies and our Company.

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

Except as stated in this Red Herring Prospectus and other than the related party transactions for the nine months ended December 31, 2014 and each of the years ended March 31, 2014, 2013, 2012, as disclosed in the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively, there are no other related business transactions within the Group Companies.

Sale/Purchase between Group Companies

Except as provided in the sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively, none of our Group Companies is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate 10.00% of the total sales or purchases of our Company.

Sick Company

None of the Group Companies have become sick companies under the Sick Industrial Companies Act, 1985 and no winding up proceedings have been initiated against them. Further no application has been made, in respect of any of the Group Companies, to the Registrar of Companies for striking off their names. Additionally, none of our Group Companies have become defunct in the five years preceding the filing of this RHP.

Other Confirmations

Further, our Group Companies have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Other than as stated in sub-sections titled "*Financial Statements- Restated Standalone Financial Statements- Annexure VI- Statement of Related Party Transactions*" and "*Financial Statements- Restated Consolidated Financial Statements- Annexure VI- Statement of Related Party Transactions*" on Pages 218 and 307 respectively, none of our Group Companies or Subsidiaries have business interest in our Company.

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. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of the Company. The dividends declared by our Company during the last five fiscal years have been presented below:

	Year ended March 31				
	2011	**2012**	**2013**	**2014**	**2015**
Face Value of Equity Share (per share)	10	10	10	10	10
Interim Dividend on each Equity Share (₹)	-	-	-	-	-
Final Dividend on each Equity Share (₹)	1.5	1	1	1.50	Not yet declared*
Dividend Rate for each equity share (%)	15.00	10.00	10.00	15.00	N.A.

**Our Board of Directors have, in their meeting held on July 7, 2015, recommended a dividend of Re. 1 per Equity Share at a rate of 10% for each Equity Share for the year ended March 31, 2015. Declaration of this dividend is subject to approval of our shareholders in a duly convened annual general meeting.*

The Company has also declared dividend on the Preference Shares as follows:

	Year ended March 31				
	2011	**2012**	**2013**	**2014**	**2015**
Face Value of Preference Share (per share)	15	N.A.	N.A.	N.A.	N.A.
Final Dividend on Preference Shares (₹)	2,004,842(1)	N.A.	N.A.	N.A.	N.A.
Dividend Rate for Preference shares (%)	As per note	N.A.	N.A.	N.A.	N.A.

(1) Aggregate of special dividend and coupon dividend.

Note: For the year ended March 31, 2011, the Company has paid coupon dividend @3.33% on 50,00,000 preference shares of face value of ₹ 15 each for 293 days.

The amounts paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. The Company does not have a formal dividend policy.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

RESTATED STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS AS REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013 READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

To,
The Board of Directors
Power Mech Projects Limited
Plot No.77, Jubliee Enclave,
Madhapur,
Hyderabad – 500 081.

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Statements of Power Mech Projects Limited, (“ the Company”) as at 31st March, 2015, 31st March, 2014, 31st March, 2013, 31st March, 2012 and 31st March, 2011 and for each of the Financial years ended 31st March, 2015, 31st March, 2014, 31st March, 2013, 31st March, 2012 and 31st March, 2011 (“the Restated Standalone Financial Statements”) as approved by the Board of Directors of the Company at their meeting held on 7th July, 2015 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (IPO) prepared in terms of the requirements of

    a) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules) and

    b) the Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations").

2. We have examined such Restated Financial Statements taking into consideration

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 26th June, 2014 in connection with the proposed further Initial Public Offer of the Company and

    b) The Guidance Note (Revised) on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an IPO for the fresh issue and offer for sale of equity shares of Rs.10/- each at such premium arrived at by the 100% book building process as may be decided by the board of directors.

4. These Restated Standalone Financial Statements have been prepared by the Management from the audited Standalone Financial Statements for the year ended March 31, 2011, 2012, 2013, 2014 and 2015 which have been approved by Board of directors at their meeting held on 7th July, 2015 and have been audited by us.

5. Based on our examination, we report that in our opinion and according to the Statements and explanations given to us, we have found the same to be correct and the same have been used in the Restated Standalone Financial Statements appropriately.

6. Based on our examination, we further report that :

    a) The Summary Statement of Restated Standalone Assets and Liabilities of the Company as at 31.03.2011, 2012, 2013, 2014 and 2015 examined by us, as set out in Annexure-I to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes and Changes in Significant Accounting Policies, as set out in Annexure-IV.

b) The Summary Statement of Restated Standalone Profit or Loss of the Company for the year than ended, 31.03.2011, 2012, 2013, 2014 and 2015 examined by us, as set out in Annexure-II to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes and Changes in Significant Accounting Policies, as set out in Annexure-IV.

c) The Summary Statement of Standalone Cash Flows of the Company for the year ended, 31.03.2011, 2012, 2013, 2014 and 2015 examined by us, as set out in Annexure-III to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies, as set out in Annexure-IV.

d) Based on the above, according to the Statements and explanations given to us, we are of opinion that the Restated Standalone Financial Statements have been made after incorporating:

   (i) Adjustments for the changes in accounting policies retrospectively in respective Financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.

   (ii) Further, there are no extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

   (iii) There were no qualifications in the Auditors' report for the relevant reporting periods except for observations made on the matters specified to be annexed to the Companies (Auditors' Report) Order, 2003 and 2015.

7. We have also examined the Restated Standalone Financial Statements set out in the Annexures prepared by the management and approved by the Board of directors of the Company for the years ended 31.03.2011, 2012, 2013, 2014 and 2015.

   (i) Statement of Other Income - Annexure V.
   (ii) Statement of Related Party Transactions – Annexure VI.
   (iii) Statement of Contingent Liabilities and guarantees- Annexure VII.
   (iv) Statement of Dividend Declared - Annexure VIII.
   (v) Statement of Capitalization as at 31.3.2015 - Annexure IX.
   (vi) Statement of Accounting Ratios - Annexure X.
   (vii) Statement of Tax Shelter - Annexure XI.
   (viii) Statement of Changes in Share Capital – Annexure XII.
   (ix) Statement of Reserves and Surplus – Annexure XIII.
   (x) Statement of Long Term Borrowings – Annexure XIV.
   (xi) Statement of Components of Deferred Tax – Annexure XV.
   (xii) Statement of Other liabilities –Annexure XVI
   (xiii) Statement of Provisions – Annexure XVII
   (xiv) Statement of Short term borrowings – Annexure XVIII.
   (xv) Statement of Trade payables – Annexure XIX.
   (xvi) Statement of Fixed assets – Annexure XX
   (xvii) Statement of Investments – Annexure XXI.
   (xviii) Statement of Loans and Advances – Annexure XXII .
   (xix) Statement of Other Assets – Annexure XXIII
   (xx) Statement of Inventory – Annexure XXIV
   (xxi) Statement of Trade Receivables - Annexure XXV
   (xxii) Statement of Cash and cash equivalents – Annexure XXVI
   (xxiii) Statement of Revenue – Annexure XXVII

(xxiv) Statement of Materials consumed – Annexure XXVIII
(xxv) Statement of Changes in Inventories – Annexure XXIX
(xxvi) Statement of Contract execution Expenses - Annexure XXX.
(xxvii) Statement of Employee Benefit Expenses – Annexure XXXI.
(xxviii) Statement of Finance cost – Annexure XXXII.
(xxix) Statement of Depreciation and Amortization Expenses – Annexure XXXIII.
(xxx) Statement of Other expenses – Annexure XXXIV.

8. In our opinion the Financial Statements contained in Annexure I to XXXIV of this report read along with the Significant Accounting Policies, Notes and Changes in Significant Accounting Policies (Refer Annexure) prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Part IIB of Schedule II of the Companies Act, 1956 read with Section 26(1)(b) under Chapter III of Companies Act, 2013 and the SEBI-ICDR Regulations.

9. This report should not in any way be construed as a reissuance or redating of any of the previous audit reports issued by us nor should this be construed as a new opinion on any of the Financial statements referred to herein.

10. We did not perform audit tests for the purpose of expressing an opinion on individual balances of summaries of selected transactions, and accordingly we express no such opinion thereon.

11. We have no responsibility to update our report for events and circumstances occurring after the date of report.

12. Our report is intended solely for use of the management and for inclusion in the offer document in connection the proposed issue of equity shares of the Company. Our report should not be used for any other purpose except with our consent in writing.

For Brahmayya & Co
Chartered Accountants
Firm Registration No : 000513S

(Karumanchi Rajaj)
Partner
Membership No. 202309
Place: Camp: Hyderabad
Date: 7.7.2015

ANNEXURE – I : STATEMENT OF STANDALONE RESTATED ASSETS AND LIABILITIES

(Rs. in Millions)

	Particulars	Annexure No.	As at March 31,				
			2015	**2014**	**2013**	**2012**	**2011**
I.	**Equity and Liabilities**						
A	**Shareholders' funds**						
	Share Capital	XII					
	Equity Share Capital		125.83	109.40	107.53	107.53	107.53
	Reserves and Surplus	XIII					
	Securities premium account		364.17	268.10	232.47	232.47	232.47
	General reserve		145.00	145.00	110.00	90.00	70.00
	Surplus in Profit and Loss account		2904.39	2,212.49	1,582.27	1,113.72	622.11
	Sub-total (a)		**3,539.39**	**2,734.99**	**2,032.27**	**1,543.72**	**1,032.11**
B	**Non-current Liabilities**						
	Long-term borrowings	XIV	245.52	272.79	279.05	575.05	460.92
	Deferred tax liability (Net)	XV	47.20	78.37	68.06	65.15	49.39
	Other long-term liabilities	XVI	641.26	936.04	829.02	866.51	539.27
	Long term provisions	XVII	1.86	-	-	-	-
	Sub-total (b)		**935.84**	**1,287.20**	**1,176.13**	**1,506.71**	**1,049.58**
C	**Current liabilities**						
	Short term borrowings	XVIII	1,979.22	1,393.98	871.64	314.25	93.03
	Trade payables	XIX	2,207.92	1,869.70	1,458.32	677.90	495.16
	Other current liabilities	XVI	1,588.33	1,353.62	1,332.82	1,157.94	820.09
	Short term provisions	XVII	1,267.79	894.35	765.66	519.00	281.49
	Sub-total (c)		**7,043.26**	**5,511.65**	**4,428.44**	**2,669.09**	**1,689.77**
	Total ((a)+(b)+(c))		**11,518.49**	**9,533.84**	**7,636.84**	**5,719.52**	**3,771.46**
II.	**Assets**						
A	**Non-current assets**						
	Fixed assets	XX					
	Tangible assets		1,773.17	1,719.06	1,681.01	1,692.28	1,215.05
	Intangible assets		11.05	13.05	11.99	0.26	0.01
	Capital work in progress		91.98	66.00	68.97	35.62	40.94
	Non-current investments	XXI	68.47	53.76	2.57	2.08	2.11
	Long term loans and advances	XXII	76.88	41.05	31.74	24.90	41.80
	Other non-current assets	XXIII	1,571.54	1,688.48	949.66	763.58	625.53
	Sub-total (d)		**3,593.09**	**3,581.40**	**2,745.94**	**2,518.72**	**1,925.44**

ANNEXURE – I : STATEMENT OF STAND ALONE RESTATED ASSETS AND LIABILITIES

(Rs. in Millions)

Particulars		Annexure No.	As at March 31,				
			2015	**2014**	**2013**	**2012**	**2011**
B	**Current assets**						
	Current investments		-	-	-	-	-
	Inventories	XXIV	306.83	242.86	192.49	110.56	77.78
	Trade receivables	XXV	1,941.69	1,481.95	1,741.97	1,475.71	732.07
	Cash and bank balances	XXVI	670.36	687.32	565.77	420.19	423.55
	Short term loans and advances	XXII	2,598.58	1,934.63	1,299.82	893.72	375.21
	Other current assets	XXIII	2,407.94	1,605.68	1,090.85	300.62	237.41
	Sub-total (e)		**7,925.40**	**5,952.44**	**4,890.90**	**3,200.80**	**1846.02**
	Total Assets ((d)+(e))		**11,518.49**	**9,533.84**	**7,636.84**	**5,719.52**	**3,771.46**

Note 1: The above statement should be read in conjunction with the significant accounting policies and notes on adjustments for Restated Summary Statements in Annexure – IV.

Note 2: The previous year figures have been regrouped wherever necessary.

As per our report of even date

For BRAHMAYYA &CO..

Chartered Accountants

For and on behalf of the Board of Directors of
Power Mech Projects Limited

Karumanchi Rajaj

Partner

Membership No 202309

Place: Camp: Hyderabad

Date: 07.07.2015

S.Kishore Babu
Chairman and
Managing Director

Rakesh Sony
Director

J Satish
CFO

Mohit Gurjar
Company Secretary

ANNEXURE – II : STATEMENT OF STANDALONE RESTATED PROFIT AND LOSS ACCOUNT

(Rs. in Millions)

	Particulars	Annexure No.	For the year ended March 31,				
			2015	2014	2013	2012	2011
A	**INCOME**						
	Revenue from operations	XXVII	13,556.07	11,871.96	9,329.61	7,050.54	4,918.14
	Other income	V	59.13	115.80	46.17	40.80	26.04
	Sub-total		**13,615.20**	**11,987.76**	**9,375.78**	**7,091.34**	**4,944.18**
B	**EXPENDITURE**						
	Cost of materials consumed	XXVIII	748.15	755.37	642.17	547.27	299.10
	Changes in inventories of Finished goods, Work- in- progress and Stock-in-trade	XXIX	7.58	(12.91)	1.24	7.33	(0.04)
	Contract execution expenses	XXX	9,771.13	8,384.48	6,716.90	4,794.79	3,454.97
	Employee benefit expenses	XXXI	1,175.87	1,067.23	667.58	498.22	351.83
	Finance costs	XXXII	292.40	263.48	167.73	130.19	81.35
	Depreciation and amortization	XXXIII	366.40	327.41	334.70	386.35	242.49
	Other expenses	XXXIV	201.28	133.64	91.62	68.46	47.15
	Sub-total		**12,562.81**	**10,918.70**	**8,621.94**	**6,432.61**	**4,476.85**
C	**Profit before tax and extra ordinary items as per audited financial statements (A-B)**		**1,052.39**	**1,069.06**	**753.84**	**658.73**	**467.33**
	Add/ Less : Extra ordinary Items		-	-	-	-	-
D	**Profit after extra ordinary items and before tax as per audited financial statements**		**1,052.39**	**1069.06**	**753.84**	**658.73**	**467.33**
	Add: Adjustments on account of change in accounting policies - Increase in Profit (Refer Point 2(a) of Annexure IV)		-	-	-	123.64	98.06
E	**Profit before tax as restated**		**1,052.39**	**1,069.06**	**753.84**	**782.37**	**565.39**
F	**Tax expense**						
	As per audited financial statements						
	Current tax		376.51	377.47	249.78	242.50	164.37
	Deferred tax expense/(Credit)		(31.16)	10.30	2.92	(24.35)	(6.94)
	Taxation of earlier periods		-	(1.83)	-	-	-
	Sub-total		**345.35**	**385.94**	**252.70**	**218.15**	**157.43**
	Restatement of tax adjustments						
	Increase in tax expense – Deferred tax						
	Tax impact on restatement adjustments		-	-	-	40.11	31.81
	(Refer Point 2(a) of Annexure IV)						
	Total tax expense as restated		**345.35**	**385.94**	**252.70**	**258.26**	**189.24**
G	**Profit after tax as restated (E-F)**		**707.04**	**683.12**	**501.14**	**524.11**	**376.15**

Note 1: The above statement should be read in conjunction with the significant accounting policies and notes on adjustments for Restated Summary Statements in Annexure – IV.

Note 2: The previous year figures have been regrouped wherever necessary.

As per our report of even date

For BRAHMAYYA &CO..

Chartered Accountants

For and on behalf of the Board of Directors of
Power Mech Projects Limited

Karumanchi Rajaj

Partner

Membership No 202309

Place: Camp: Hyderabad

Date: 07.07.2015

S.Kishore Babu
Chairman and
Managing Director

Rakesh Sony
Director

J Satish
CFO

Mohit Gurjar
Company Secretary

ANNEXURE – III : STATEMENT OF RESTATED STAND ALONE CASH FLOW

(Rs. in Millions)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
A	**Cash flow from operating activities**					
	Profit before tax as Restated	**1,052.39**	**1,069.06**	**753.84**	**782.37**	**565.39**
	Adjustments for:					
	Depreciation and amortization	366.40	327.41	334.70	262.72	144.43
	Interest expense	292.40	263.48	167.73	130.19	81.35
	Interest income	(55.65)	(64.88)	(42.23)	(40.17)	(24.40)
	Provision for diminution in investments	(0.05)	(0.01)	0.01	0.03	0.01
	(Profit)/Loss on disposal of fixed assets	(0.31)	(0.98)	(3.90)	(0.08)	(0.27)
	Dividend income	-	(7.66)	-	-	-
	Restated operating profit before working capital changes	**1,655.18**	**1,586.41**	**1,210.15**	**1,135.06**	**766.51**
	Movements in working capital:					
	(Increase) / decrease in Inventories	(63.97)	(50.37)	(81.93)	(32.78)	(30.14)
	(Increase) / decrease in Trade and other receivables	(1,469.90)	(1,562.25)	(1,398.95)	(1,248.81)	(872.57)
	(Decrease) / increase in Trade Payables	355.65	618.68	745.33	971.72	749.27
	Cash generated from operations	**476.96**	**592.49**	**474.55**	**825.19**	**613.07**
	Less: Direct taxes paid	374.94	331.29	258.71	221.12	50.00
	Net cash generated from operating activities (A)	**102.02**	**261.20**	**215.86**	**604.07**	**563.07**

ANNEXURE – III : STATEMENT OF RESTATED STAND ALONE CASH FLOW

(Rs. in Millions)

	Particulars	For the year ended March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
B	**Cash flow from investing activities**					
	Purchase of fixed assets (including capital works under progress)	(447.76)	(366.09)	(380.05)	(713.56)	(607.20)
	Proceeds from sale of fixed assets	3.58	3.50	17.63	2.12	0.70
	Bank deposits to the extent not considered as cash and cash equivalent	21.01	(106.69)	(69.26)	(20.53)	(118.26)
	Investment in securities of subsidiary companies	(14.66)	(51.16)	(0.51)	-	(1.92)
	Dividend income	-	7.66	-	-	-
	Interest income	55.65	64.88	42.23	40.17	24.40
	Net cash used in investing activities (B)	**(382.18)**	**(447.90)**	**(389.96)**	**(691.80)**	**(702.28)**
C	**Cash flow from financing activities**					
	Interest paid	(285.84)	(225.84)	(151.21)	(110.84)	(80.72)
	Dividend and Dividend tax paid	(17.90)	(12.58)	(12.50)	(21.08)	(24.46)
	Proceeds from borrowings	587.95	439.97	414.10	195.75	216.12
	Net cash generated from financing activities (C)	**284.21**	**201.56**	**250.39**	**63.83**	**110.94**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**4.05**	**14.85**	**76.29**	**(23.90)**	**(28.27)**
	Cash and cash equivalents at the beginning of the year	108.96	94.11	17.81	41.71	69.98
	Cash and cash equivalents at the end of the year	**113.01**	**108.96**	**94.11**	**17.81**	**41.71**

ANNEXURE – III : STATEMENT OF RESTATED STAND ALONE CASH FLOW

(Rs. in Millions)

	Particulars	For the year ended March 31,				
		2015	2014	2013	2012	2011
	Composition of cash and cash equivalents:					
	Cash on hand	2.98	1.45	0.71	1.25	1.84
	Balance with banks:					
	On Current accounts	109.86	107.46	93.28	16.52	39.87
	On Deposit accounts (net of bank deposits not considered as cash and cash equivalent)	0.17	0.05	0.12	0.04	-
	Total	**113.01**	**108.96**	**94.11**	**17.81**	**41.71**

Note 1: The above statement should be read in conjunction with the significant accounting policies and notes on adjustments for Restated Summary Statements in Annexure – IV.

Note 2: The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in the Accounting Standard- 3 on "Cash Flow Statements" notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended).

Note 3: The previous year figures have been regrouped wherever necessary.

As per our report on even date

For BRAHMAYYA &CO..

Chartered Accountants

For and on behalf of the Board of Directors of

Power Mech Projects Limited

Karumanchi Rajaj

Partner

Membership No 202309

Place: Camp: Hyderabad

Date: 07.07.2015

S.Kishore Babu
Chairman and
Managing Director

Rakesh Sony
Director

J Satish
CFO

Mohit Gurjar
Company Secretary

ANNEXURE–IV: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ADJUSTMENTS FOR RESTATED STANDALONE SUMMARY STATEMENT

CORPORATE INFORMATION

Power Mech Projects Limited was incorporated in the year 1999 and is engaged in the business of providing ETC, Civil and O&M Services for Power Projects. The Company has associated with various power majors in India and Overseas for Public & Private sector power utilities apart from multinational companies. Power Mech is now engaged in several power projects ranging from 135MW to 800MW, besides many projects in lower segments also.

BACKGROUND:

The Restated summary statement of assets and liabilities of the Company as at March 31,2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and the related Restated summary statement of profits and losses and cash flows of the Company for the financial years ended March 31,2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (hereinafter collectively referred to as "Restated Summary Statements") have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards specified under the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the company and are consistent with those used in the previous years, except for the change in accounting policy explained below. The Restated financial statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering of equity shares.

1. Significant Accounting Policies

a. Basis of preparation of financial statements

The Company has prepared the financial statements under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles in India. The financial statements are prepared to comply in all material respects with the Accounting standards specified under the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the pronouncements of ICAI and the relevant provisions of Companies Act, 2013 and Companies Act, 1956 wherever applicable regarding preparation and maintenance of books of accounts.

The accounting policies have been consistently applied by the Company and are consistent across all the years presented except changes mentioned below.

During the year 2012-13, w.e.f 01.04.2012, the company has changed its method of computing depreciation on its fixed assets from Written down value method to Straight-line method using the rates arrived at based on useful lives of the fixed assets. In the opinion of the management, the change is considered preferable because arriving of depreciation under Straight-line method will more accurately reflect the pattern of usage of its fixed assets and the expected benefits flow from their usage over its life resulting more appropriate presentation of financial statements. Consequently, the book value of assets for all the years presented have been depreciated under Straight-line method retrospectively from the date of asset coming into use at a rate based on its estimated useful life as determined by the management.

b. Use of estimates

The preparation of financial statements requires the management of the company to make judgments, estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities and commitments. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Examples of such estimates includes computation of physical proportion of work completed to the total quantum of contract work order, provisions required for doubtful debts and advances, future obligation under employee retirement benefit plans, bifurcation of assets and liabilities into current and non-current and useful lives of tangible and intangible fixed assets. The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an ongoing basis. However, future results could differ from these estimates. Any revision to these accounting estimates is recognized prospectively in the current and future periods.

c. Tangible fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and Impairment loss, if any. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, the cost of installation/erection and other incidental expenses incurred to bring the asset to its present location and condition but exclusive of duties and taxes that are subsequently recoverable from taxing authorities.

Capital Work-in-progress are stated at the amount expended up to the date of Balance Sheet.

d. Intangible assets

Intangible assets are recorded at the consideration paid for acquisition of such asset and stated at cost less accumulated amortisation and impairment.

e. Depreciation and Amortization

The depreciation on tangible assets is provided under the Straight-line method over the useful lives of the assets estimated by the management during the financial year 2012-13 which are different from the useful lives as prescribed in schedule – II of the Companies Act, 2013 which becomes effective from 1.4.2014. The management based on internal assessment and independent technical evaluation carried out by external valuers, believes that the useful lives given below best represent the period over which the management expects to use these assets. Such estimation is made based on the past experience and working conditions in which assets are put to usage.

The management estimates the useful lives for the fixed assets as follows.

Name of the Asset	Estimated Useful life in years
Office buildings	20
Plant and machinery	5
Furniture and fixtures	5
Computers	4
Office equipments	5
Vehicles	5
Cranes	12.5
Mobile Phones	1

Individual assets costing up to Rs. 5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during a year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be.

Intangible assets, comprising of expenditure on computer software, incurred are amortised on a straight line method over a period of five years.

f. Impairment of Assets

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g. Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

h. Investments

Non-current investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of long term investments is made only when such decline is other than temporary.

i. Inventories

Stores and consumables are valued at lower of cost or Net realizable value.

Contracts in progress and not due for billing to the customer as on date of balance sheet are valued at agreed contract price.

Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilization expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of AS-7.

j. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

The company undertakes erection, civil and maintenance contracts and revenue from these contracts is recognized by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work to the extent of work certified by the customer. The portion of the work which was completed, but pending for certification by the customer, is also recognized as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognized as revenue only when the customer accepts the same. Provision for expected loss is recognized immediately when it is probable that the total estimated cost will exceed total contract revenue.

The contracts receipts are exclusive of service tax.

Revenue from sale of products is recognised when the risks and rewards of ownership are transferred to the buyer under the terms of the contract usually on the dispatch of goods to the customer.

Interest on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest when no significant uncertainty as to measurability or collectability exists.

Revenue from sale of assets is recognised upon delivery, which is when title passes to the customer.

Dividend income is accounted for in the year in which the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

k. Employee Benefits

i) Defined Contribution Plans

Company's contribution to Employees Provident Fund and Employees State Insurance are made under a defined contribution plan, and are accounted for at actual cost in the year of accrual.

ii) Defined Benefit Plans

Company's liability to Gratuity on retirement of its eligible employees is funded and is being administrated by the Life Insurance Corporation of India Limited. Cost of providing these benefits is determined on the basis of actuarial valuation at the end of each year and the incremental expense thereon is recognised and charged to Profit and Loss Account in the year in which the employee has rendered service.

For the period from 1.4.2014, the employees of the company are entitled to leave encashment which are both accumulating and non-accumulating in nature. The liability towards accumulated leave encashment, which are to be encashable only at the time of retirement, death while in service or on termination of employment, is determined by actuarial valuation using projected unit credit method.

The liability towards non-accumulated leave encashment over and above accumulated leaves, being short term employee benefit and eligible to encash after the end of each financial year, is provided based on actual liability computed at the end of each year.

Gains / Losses arrived at in the above actuarial valuations are charged to Profit and Loss Account.

l. Foreign Currency Transactions

i) The reporting currency of the Company is Indian Rupees.

ii) Transactions in foreign currency are initially recorded in the reporting currency at the exchange rate prevailing on the date of transaction, and charged or credited to revenue with the difference in rate of exchange arising on actual receipt/payment during the year.

iii) At each Balance Sheet date

- Foreign currency monetary items are reported using the rate of exchange on that date.
- Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.

m. Income-Taxes

Income tax expense comprises current and deferred taxes.

- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by each balance sheet date.

n. Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

o. Dividends

Provision for dividends payable (including income tax thereon) is accounted in the books of account as proposed by the Directors, pending approval of shareholders at the Annual General Meeting

p. Earnings per share

Earnings per share is calculated by dividing the net profit or loss after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. If the number of equity shares outstanding increases as a result of bonus issue, the above calculations are adjusted for the previous year figures also.

q. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

r. Cash and Cash Equivalents:

Cash and Cash Equivalents for the purpose of Cash Flow Statement comprise of Cash on hand and balances with banks in Current accounts and fixed deposits with a maturity period of less than 3 months.

s. Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing and financing activities. The cash flows are segregated into Operating, investing and financing activities.

2. Notes to Restated Standalone Summary Statements

a. Accounting for depreciation and amortisation:-

Till the year ended March 31, 2012, the Company has accounted for depreciation and amortisation on fixed assets as per written down value method at the rates mentioned as per the Schedule XIV of the Companies Act, 1956. During the financial year 2012-13, the Company has changed the method of accounting for depreciation and amortisation to straight-line method by applying the rates based on estimated useful life of the assets. For the purpose of restating the Audited Financial Statements, the depreciation has been recomputed retrospectively in accordance with Accounting Standard-6 'Depreciation Accounting' and the resultant excess depreciation of Rs.110.78Mn which was hitherto charged to the Profit and Loss account under the written-down value method till financial year ended 31 March 2010 was credited to the opening balance of surplus in P&L account as on April 1, 2010 and corresponding deferred tax of Rs.35.94Mn was debited to the opening balance of surplus in P&L account as on April 1, 2010. Further, restatement adjustments have been made to the Audited Financial Statements wherein the resultant excess depreciation of Rs.221.70Mn for the years 2010-11and 2011-12 has been credited and the corresponding deferred tax impact of Rs.71.92Mn has been debited to the Restated Statement of Profit and Loss account of respective financial years 2010-11 and 2011-12.

b. The figures have been re-grouped / re-classified wherever necessary.

c. Non adjusting items

Audit qualification

There are no qualifications in the auditors' reports. The statement on matters specified in the Companies (Auditors' Report) Order, 2015 and the Companies (Auditors' Report) Order, 2003, annexed to the auditors' report on the audited financial statements for the year ended March 31, 2011, March 31, 2012, March 31, 2013, March 31, 2014 and March, 2015 are as follows:

For the year ended March 31, 2015:

According to the information furnished to us, the Company made delays in remittance of TDS and service tax but is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Value added tax, Wealth tax, Customs duty, Excise duty, Cess and any other statutory dues applicable to it. There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.

Discharge of statutory dues:

According to the information and explanations furnished to us, the following amounts of Value added tax, Entry tax and Service tax have been disputed by the Company, and hence were not remitted to the authorities concerned at the date of the Balance Sheet under report.

Name of the Statute	Nature of Dues	Amount Rs. (net of amounts paid under protest)	Period to which it relates	Forum where dispute is pending
VAT Acts of various states	VAT/Entry tax	2,58,848	2010-11	ADCC, Bhopal
		8,74,293	2010-11	- Do –
		3,83,61,183	2011-12	West Bengal Commercial taxes appellate authority
		1,91,10,463	2012-13	Commissioner of Commercial taxes, Jharkhand
Service tax under Finance Act 1994	Service tax	4,28,09,308	2007-08	CESTAT, Bengaluru

For the year ended March 31, 2014:

According to the information furnished and records produced before us, the Company made considerable delays in remittance of Service tax, TDS and PF but is regular in depositing the undisputed statutory dues including Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Customs duty, Excise duty, Cess and any other statutory dues applicable to it. There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable except sales tax to the extent of Rs.9.54 lakhs. However, the said amount was remitted before the date of our report.

For the year ended March 31, 2013:

Discharge of statutory dues:

According to the information furnished to us and records of the Company examined by us, at the date of Balance Sheet, there were no amounts of Wealth-tax, Sales tax, Customs duty, Excise duty, Cess and Service tax that were disputed by the Company and hence were not remitted to the concerned authorities, except the liability towards Income-tax, the details of which are given below.

Name of the statute	Nature of dues	Amount in Rs. (net after adjustment against refunds due)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Short credit given towards TDS in processing the return of income	779,827	AY 2009-10	Rectification petition u/s 154 of the Income Tax Act, 1961 filed with the Assessing Officer;
Income Tax Act, 1961	Short credit given towards TDS in processing the return of income	8,893,182	AY 2010-11	

For the year ended March 31, 2011:

Reconciliation of the fixed asset register to the books of account:

According to the information made available to us, the company has adopted phased programme of physical verification of its Fixed assets which in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. As per the said programme, the company has carried out physical verification of some of its fixed assets during the year. However, reconciliation of the same with the book records has not been carried out during the year.

Physical verification of Inventories:

According to the information and explanations furnished to us, during the year under report the company has physically verified its inventories during the year except in respect of its Vijayawada unit. In our opinion, the frequency of such verification to the extent carried out is reasonable.

Internal control systems

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. However in our opinion, the internal control procedures over issue of general stores and manner of maintenance of relevant records needs to be strengthened.
Note: The discrepancies pointed out in internal control procedures were rectified by the company in the subsequent financial years.

Discharge of statutory dues:

According to the information furnished to us, and records of the company examined by us, at the date of the Balance Sheet, there were no amounts of Sales Tax, Customs Duty, Excise Duty, Cess, Income Tax, Wealth Tax and Service Tax that were disputed by the company and hence were not remitted to the concerned authorities except an amount of Rs.1,75,501 (Asst. year 2006-07), Rs.16,31,713 (Asst. year 2008-09) and Rs.76,92,470 (Asst. year 2009-10) being the liability towards Income-tax which has arisen due to short credit of TDS and levy of interest consequently which was disputed by the company before Asst. Commissioner of Income-tax, Hyderabad. Against the said aggregate liability of Rs.94,99,684/-, the company submitted original TDS certificates to the tune of Rs.25,80,445/-

d. Segment reporting:

The group operates only in one segment i.e in construction activities. This, in the context of AS-17 “Segment reporting” as specified in the Companies (Accounting standard) Rules, 2006 is considered to constitute one single primary segment. The company carried out overseas operations and they do not qualify as reportable segment as operations does not exceed the threshold limit of 10% specified in paragraph no.27 of AS-17.

As per our report of even date

For BRAHMAYYA &CO..	**For and on behalf of the Board of Directors of**
Chartered Accountants	**Power Mech Projects Limited**

KarumanchiRajaj	**S.Kishore Babu**	**Rakesh Sony**
Partner	Chairman and Managing Director	Director
Membership No 202309		
Place: Camp: Hyderabad		
Date: 7.7.2015	**J Satish**	**MohitGurjar**
	CFO	Company Secretary

ANNEXURE – V : STATEMENT OF OTHER INCOME

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Other income	59.13	115.80	46.17	40.80	26.04
Profit before tax, as restated	1052.39	1,069.06	753.84	782.37	565.39
% of other income to net profit before tax, as restated	5.62%	10.83%	6.12%	5.21%	4.61%

Details of other income for the year ended 31.03.2015 and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011.

(Rs. in Millions)

Particulars	Recurring / Nonrecurring	R /NR to Business activity	For the year ended March 31,				
			2015	2014	2013	2012	2011
Interest on bank deposits	Recurring	NR	55.65	64.89	42.23	40.17	24.40
Dividend from investments	Recurring	NR	-	7.66	-	-	-
Profit on disposal of fixed assets	Non-Recurring	NR	0.51	1.22	3.91	0.08	0.27
Foreign exchange fluctuation	Non-recurring	NR	2.92	42.03	0.03	-	0.70
Miscellaneous income	Non-Recurring	NR	0.05	-	-	0.55	0.67
Total			**59.13**	**115.80**	**46.17**	**40.80**	**26.04**

R: Related, NR: Not Related

Note: The classification of other income as Recurring/Non-Recurring, Related/Non-Related to business activity is made based on the Principal or ancillary revenue generating activities of the company.

ANNEXURE – VI : STATEMENT OF RELATED PARTY TRANSACTIONS

I. Names of the related parties and their relationship

Category of Related Parties	For the year ended March 31,				
	2015	2014	2013	2012	2011
Key management personnel (KMP)	S. Kishore Babu , Chairman and Managing director				
Relatives of Key Management Personnel	S. Lakshmi – Director W/o S.Kishore Babu S. Rohit s/o S.Kishore Babu S. Vignatha d/o S. Kishore Babu S. Kishore Babu (HUF)				
Entities controlled by KMP / Relatives of KMP	Power Mech Infra Limited ('PMIL') Bombay Avenue Developers Private Limited True Rrav Marketing Private Limited Lakshmi Agro Farms Power Mech Foundation				
Subsidiary companies	Power Mech Overseas Projects FZE, Sharjah (Winded up in F.Y 2013-14) Hydro Magus Private Limited Power Mech Industri Private Limited				

(Rs. in Millions)

Nature of Transaction	Key Management Personnel					Relatives of key Management personnel				
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**
Rent expense										
S. Kishore Babu	2.88	14.04	0.95	0.95	0.77	-	-	-	-	-
S.Lakshmi	-	-	-	-	-	0.90	0.77	0.11	0.11	0.10
S.Kishore Babu (HUF)	-	-	-	-	-	0.62	0.28	0.11	0.35	0.29
S.Rohit	-	-	-	-	-	0.99	0.99	0.90	0.90	0.90
Remuneration										
S. Kishore Babu	55.77	56.53	39.92	35.14	24.75	-	-	-	-	-
S. Rohit	-	-	-	-	-	0.65	-	-	-	-
S.Lakshmi	-	-	-	-	-	-	-	-	-	-
Professional charges										
S.Lakshmi	-	-	-	-	-	-	-	-	-	1.80
Purchase of fixed assets										
S.Lakshmi	-	-	-	-	-	-	-	4.00	-	-
S.Kishore Babu (HUF)	-	-	-	-	-	-	-	5.00	-	-
Sub-contract expenses										
PMIL	-	-	-	-	-	-	-	-	-	-
Sub-contract revenues										
Hydro Magus	-	-	-	-	-	-	-	-	-	-
Rent – HMPL	-	-	-	-	-	-	-	-	-	-
Interest – HMPL	-	-	-	-	-	-	-	-	-	-
Dividend from PMOP	-	-	-	-	-	-	-	-	-	-
Donations Paid										
Power Mech Foundation	-	-	-	-	-	-	-	-	-	-

(Rs. in Millions)

Nature of Transaction	**Key Management Personnel**						**Relatives of key Management personnel**					
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2009-2010**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2009-2010**
Balances at year end 31.03.2015												
Investment in PMOP	-	-	-	-	-	-	-	-	-	-	-	-
Investment in HMPL	-	-	-	-	-	-	-	-	-	-	-	-
Investment in PMIL	-	-	-	-	-	-	-	-	-	-	-	-
Investment in share application money in PowerMech Infra Limited	-	-	-	-	-	-	-	-	-	-	-	-
Due to PMIL	-	-	-	-	-	-	-	-	-	-	-	-
Due to Power Mech Foundation	-	-	-	-	-	-	-	-	-	-	-	-
Due from PMIL	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration payable	4.23	15.37	9.68	4.73	7.44	-	-	-	-	-	-	-
Advance against works to PMIL	-	-	-	-	-	-	-	-	-	-	-	-
Due from HMPL	-	-	-	-	-	-	-	-	-	-	-	-
Advance given for purchase of flat from Ms. S.Lakshmi	-	-	-	-	-	-	-	-	1.00	-	-	-
Due from PMOP	-	-	-	-	-	-	-	-	-	-	-	-

(Rs. in Millions)

Nature of Transaction	Companies controlled by KMP / Relatives of KMP					Subsidiary companies				
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**
Rent expense										
S. Kishore Babu	-	-	-	-	-	-	-	-	-	-
S.Lakshmi	-	-	-	-	-	-	-	-	-	-
S.Kishore Babu (HUF)	-	-	-	-	-	-	-	-	-	-
S.Rohit	-	-	-	-	-	-	-	-	-	-
Remuneration										
S. Kishore Babu	-	-	-	-	-	-	-	-	-	-
S.Lakshmi	-	-	-	-	-	-	-	-	-	-
Professional charges										
S.Lakshmi	-	-	-	-	-	-	-	-	-	-
Purchase of fixed assets										
S.Lakshmi	-	-	-	-	-	-	-	-	-	-
S.Kishore Babu (HUF)	-	-	-	-	-	-	-	-	-	-
Sub-contract expenses										
PMIL	532.30	514.75	487.06	137.31	36.91		-	-	-	-
Sub-contract revenues										
Hydro Magus	-	-	-	-	-	24.65	10.10	-	-	-
Rent – HMPL	-	-	-	-	-	0.17	0.17	-	-	-
Interest – HMPL	-	-	-	-	-	1.79	1.66	-	-	-
Dividend from PMOP	-	-	-	-	-	-	7.66	-	-	-
Hire charges received from PMIPL	-	-	-	-	-	0.64	-	-	-	-
Donations Paid										
Power Mech Foundatiom	5.70	5.00	4.40	3.00	1.60	-	-	-	-	-

(Rs. in Millions)

Nature of Transaction	Companies controlled by KMP / Relatives of KMP					Subsidiary companies				
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**
Balances at year / period end										
Investment in PMOP	-	-	-	-	-		-	1.92	1.92	1.91
Investment in HMPL	-	-	-	-	-	25.17	10.51	0.51	-	-
Investment in PMIPL	-	-	-	-	-	43.09	43.09	-	-	-
Investment in share application money in PowerMech Infra Limited	-	-	-	-	-	-	-	-	-	-
Due to PMIL	27.90	147.21	93.99	4.39		-	-	-	-	-
Due from PMIPL	-	-	-	-	-	-	1.97	-	-	-
Advance against works to PMIL	-	-	-	-	0.28	-	-	-	-	-
Advance against works to PMIPL		-	-	-	-	30.29	-	-	-	-
Due from HMPL		-	-	-	-	4.80	12.77	2.43	-	-
Trade receivable from HMPL	-	-	-	-	-	21.15	0.41	-	-	-
Advance given for purchase of flat from Ms. S.Lakshmi		-	-	-	-	-	-	-	-	-
Due from Power Mech Overseas FZE		-	-	-	-	-	-	3.45	3.60	0.51

ANNEXURE – VII :

A. STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS **(Rs. in Millions)**

Particulars	As at March, 31				
	2015	2014	2013	2012	2011
I) Contingent Liabilities					
a) Claims against the company not acknowledged as debts					
-Income tax					
-Sales tax	-	-	10.45	-	9.50
-Service tax	63.73	-	-	-	-
	42.81	-	-	-	-
b) Other contingent liabilities					
- Counter guarantees given by the Company to the bank in respect of guarantees given to its subsidiary companies	-	35.51	25.68	-	-
- Co-applicant in respect of loans sanctioned to subsidiary companies	1.41	2.54	1.95	-	-
- Corporate Guarantee given to bank in respect of loan availed by subsidiary companies (to the extent outstanding)	157.40	-	-	-	-
II) Capital Commitments	29.47	16.03	26.38	74.50	6.50

B. BANK GUARANTEE'S ISSUED BY BANKERS ON BEHALF OF COMPANY

(Rs. in Millions)

Particulars	As at March 31.				
	2015	2014	2013	2012	2011
Guarantees given by the company's bankers and outstanding which are covered by way of pledge of FD with banks.	5,468.60	4,719.85	4,213.31	3,519.96	2,348.89

ANNEXURE – VIII : STATEMENT OF DIVIDEND DECLARED:

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Equity shares - Face value – (Rs.)	10	10	10	10	10
No. of equity shares outstanding at the year end	12,582,764	10,940,264	10,752,764	10,752,764	10,752,764
No. of preference shares	-	-	-	-	-
Rate of dividend (%)					
Interim – Preference shares	-	-	-	-	-
Final – Preference shares	-	-	-	-	3.33%
Interim – equity shares	-	-	-	-	-
Final – equity shares	10%	15%	10%	10%	15%
Amount of dividend					
Interim – Preference shares	-				
Final – Preference shares	-	-	-	-	2.00
Interim – Equity shares	-	-	-	-	-
Final – Equity shares	12.60	16.41	10.75	10.75	16.13
Corporate dividend tax	2.56	1.49	1.83	1.74	2.95

ANNEXURE – IX : CAPITALISATION STATEMENT AS AT 31 MARCH 2015 **(Rs. in Millions)**

Particulars	Pre-Issue	Post-issue**
Debt		
Short term debt	1,979.22	[.]
Long term debt(Incl. Current maturities of Long term debt)	590.49	[.]
Total debt	**2,569.71**	[.]
Shareholders' funds		
Share capital	125.83	[.]
Reserves and surplus	3,413.56	[.]
Total shareholders' funds	**3,539.39**	[.]
Total debt / shareholders' funds (ratio)	**0.73**	[.]
Long term debt/Equity (ratio)	**0.17**	[.]

** The corresponding Post-Issue Debt / Shareholders' ration are not determinable at this stage as it can be ascertained only after the conclusion of the book building process.

ANNEXURE - X : STATEMENT OF ACCOUNTING RATIOS
EARNINGS PER SHARE AND RETURN ON NET WORTH

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Net Worth for equity share holders	3,539.39	2,847.49	2,182.27	1,693.72	1,182.11
Net Profit after Tax and Extra ordinary items as per restated statement of profit and loss account	707.04	683.12	501.14	524.11	376.15
Profit attributable for equity share holders for computing basic EPS (After deducting preference dividend and Tax on Preference dividend)	707.04	683.12	501.14	524.11	373.80
Profit attributable for equity share holders for computing diluted EPS (After adding debenture interest and tax thereon and deducting preference dividend and tax thereon)	707.04	683.69	501.72	524.21	376.46
Earnings per Share (EPS) – Basic (Rs.)	56.94	63.15	46.61	48.74	40.00
Earnings per Share (EPS) - Diluted (Rs.)	56.94	60.08	43.62	45.57	37.29
@ Earnings per Share (EPS) – Basic (Rs.)	56.94	57.42	42.35	44.29	35.85
@ Earnings per Share (EPS) - Diluted (Rs.)	56.94	54.87	39.87	41.66	33.69
Return on Net Worth (%) for equity shareholder	19.98	24.01	22.99	30.95	31.85

@ Since the bonus shares are issued during the year ended 31.03.2015, the EPS for the previous year periods has been adjusted by considering the bonus shares as per the requirement of para 44 of AS-20 “Earnings per share”.

NET ASSET VALUE (NAV) PER EQUITY SHARE

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
NAV per equity share (Rs.)	281.29	247.55	189.72	147.24	102.77

Basis of computation:

Formulae:

Earnings per Share (Rs.) (Refer note no.2 &3)	Net profit after tax as restated / Weighted average number of equity shares outstanding during the year
Net Asset Value per Share (Rs.)	Net worth for equity shareholders/Number of equity shares outstanding as at the year end
Return on Net Worth (Refer note no. 1)	Net profit after tax as restated/ Net worth for equity shareholders

Note 1: Net worth for equity shareholders = Equity share capital + Reserves and surplus (excluding Revaluation Reserve)+ Compulsorily Convertible Debentures + Convertible Preference Shares

Note 2: Profit after tax, as restated and appearing in the statement of Restated Profit and Loss of the Company after deducting preference dividend and attributable tax has been considered for the purpose of computing **Basic Earnings Per Share**.

Note 3: Profit after tax, as restated and appearing in the statement of Restated Profit and Loss of the Company after adjusting for preference dividend, debenture interest and attributable tax in respect of dilutive potential equity shares has been considered for the purpose of computing **Diluted Earnings Per Share.**

Note 4: Earnings per Share is calculated in accordance with Accounting Standard 20 ‘Earnings Per Share’, notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended).

Note 5: The calculations are based on restated financials.

Note 6: There are no revaluation reserves.

Note 7: Weighted average number of shares outstanding during the year for Basic and Diluted Earnings per share

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Nominal value of equity shares - (Rs.)	10	10	10	10	10
(A) Weighted average number of equity shares outstanding during the year – for computing Basic Earning per Share	12,417,867	10,817,490	10,752,764	10,752,764	9,345,831
(B) Weighted average number of equity shares outstanding during the year – for computing Diluted Earning per Share	12,417,867	11,379,990	11,502,764	11,502,764	10,095,831
(C) Weighted average number of shares of earlier period after adjusting for bonus shares for computing Basic EPS	12,417,867	11,897,490	11,832,764	11,832,764	10,425,831
(D) Weighted average number of shares of earlier period after adjusting for bonus shares for computing diluted EPS	12,417,867	12,459,990	12,582,764	12,582,764	11,175,831
(E) Shares outstanding as at the period / year end – For computing Net Asset Value	12,582,764	11,502,764	11,502,764	11,502,764	11,502,764

Note 8: Net worth for equity shareholders (including dilutive potential equity shares) **(Rs. in Millions)**

Particulars	Net worth as per Restated Assets and Liabilities stated in Annexure A of the Restated Summary Statements(Equity)	Preference Share Capital	Compulsorily Convertible Debentures	Total Net worth for the equity share holders
	(a)	(b)	(c)	(d) = (a)+(b)+ (c)
As at March 31, 2015	3,539.39	-	-	3,539.39
As at March 31, 2014	2,734.99	-	112.50	2,847.49
As at March 31, 2013	2,032.27	-	150.00	2,182.27
As at March 31, 2012	1,543.72	-	150.00	1,693.72
As at March 31, 2011	1,032.11	-	150.00	1,182.11

ANNEXURE - XI : STATEMENT OF TAX SHELTER

(Rs. in Millions)

Particulars	For the Year Ended March 31,				
	2015	2014	2013	2012	2011
Profits before tax, as restated	**1,052.39**	**1,069.06**	**753.84**	**782.37**	**565.39**
Dividend Income from foreign subsidiary	**-**	**7.66**	**-**	**-**	**-**
Income tax rate - statutory rate	33.99%	33.99%	32.45%	32.45%	33.22%
Income tax on dividends - statutory rate	-	17.00%	-	-	-
Tax at statutory rate after excluding dividend**(A)**	357.71	360.77	244.62	253.88	187.82
Tax at statutory rate **(B)**	-	1.30	-	-	-
Adjustments: **Permanent Difference**					
Others	19.90	41.77	16.52	27.24	1.45
Total permanent difference (C)	**19.90**	**41.77**	**16.52**	**27.24**	**1.45**
Timing Difference					
Difference between tax depreciation and book depreciation (Book Depreciation > I.T Depreciation)	21.47	-9.82	-2.27	55.44	22.53
Total timing difference (D)	**21.47**	**-9.82**	**-2.27**	**55.44**	**22.53**
Total adjustments (C + D)	**41.37**	**31.95**	**14.25**	**82.68**	**23.98**
Tax on total adjustments at statutory rate **(E)**	**14.06**	**10.86**	**4.62**	**26.83**	**7.97**
Tax liability after considering the adjustments **(A + B + E)**	**371.77**	**372.93**	**249.24**	**280.71**	**195.79**
Interest on income tax under Section 234B and 234C of Income Tax Act, 1961	4.34	4.54	0.54	1.90	0.39
Total tax payable	**376.11**	**377.47**	**249.78**	**282.61**	**196.18**

ANNEXURE – XII : RESTATED SUMMARY STATEMENT OF CHANGES IN SHARE CAPITAL

(Rs. In Millions)

Particulars	**As at March 31,**									
	2015		**2014**		**2013**		**2012**		**2011**	
Share Capital	No.of shares	Value	No.of shares	Value	No.of shares	Value	No.of shares	Value	No.of shares	Value
Authorised Share Capital										
Equity Shares	26.00	260.00	26.00	260.00	26.00	260.00	26.00	260.00	26.00	260.00
Issued, Subscribed and Paid up – Equity Shares										
No. of Shares at beginning of the year	10.94	109.40	10.75	107.53	10.75	107.53	10.75	107.53	9.00	90.00
Add: Shares Issued on conversion of Debentures	0.56	5.63	0.19	1.87	--	--	--	--	--	--
Add: Bonus Shares issued *	1.08	10.80	---	---	---	---	---	---	---	--
Add: Shares Issued on conversion of Preference Shares	--	--	--	--	--	--	--	--	1.75	17.53
Shares at the end of the year	12.58	125.83	10.94	109.40	10.75	107.53	10.75	107.53	10.75	107.53
Issued, Subscribed and Paid up – Preference Shares										
Shares at beginning of the year	--	--	--	--	--	--	--	--	10.00	150.00
Less: Preference Shares converted into Equity shares	--	--	--	--	--	--	--	--	10.00	150.00
Shares at the end of the year	--	--	--	--	--	--	--	--	--	--

Details of Shareholders holding more than 5% of the total number of shares

(No's in Millions)

Name of the Share Holder	**As at 31.03.2015**		**As at 31.03.2014**		**As at 31.03.2013**		**As at 31.03.2012**		**As at 31.03.2011**	
	No. of Shares	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
S Kishore Babu	3.60	28.62	3.22	29.39	3.22	29.90	3.22	29.90	3.22	29.90
S Kishore Babu HUF	1.34	10.68	1.20	10.97	1.20	11.16	1.20	11.16	1.20	11.16
S Lakshmi	2.40	19.08	2.14	19.59	2.14	19.93	2.14	19.93	2.14	19.93
S Rohit	1.57	12.48	1.40	12.82	1.40	13.04	1.40	13.04	1.40	13.04
India Business Excellence Fund-1	1.88	14.92	1.31	12.02	1.31	12.23	1.31	12.23	1.31	12.23
India Business Excellence Fund	0.63	4.97	0.63	5.72	--	--	--	--	--	--

*

Note: During the year ended 31.03.2015, the company issued 1,080,000 equity shares of Rs.10/- each as fully paid up bonus shares at a ratio of 10:1.2 each (i.e 1.2 shares for every 10 shares held except to members holding 19,40,264 shares)

ANNEXURE - XIII : RESTATED SUMMARY STATEMENT OF RESERVED AND SURPLUS

(Rs. in Millions)

	Particulars	As at March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
A.	**Securities Premium Account**					
	Balance as per the last financial statements	268.10	232.47	232.47	232.47	100.00
	Additions during the year	106.87	35.63	-	-	232.47
	Deductions during the year	10.80	-	-	-	100.00
	Sub total (A)	**364.17**	**268.10**	**232.47**	**232.47**	**232.47**
B.	**General Reserve**					
	Balance as per the last financial statements	145.00	110.00	90.00	70.00	50.00
	Additions – Transfer from Statement of Profit and Loss	-	35.00	20.00	20.00	20.00
	Sub total (B)	**145.00**	**145.00**	**110.00**	**90.00**	**70.00**
C.	**Surplus in statement of Profit and Loss**					
	Balance as per the last financial statements	2,212.49	1,582.27	1,113.72	622.11	212.23
	Add:Opening balance adjustment upto 31.3.2010 on account of retrospective change in depreciation method (Refer note 2(a) of Annexure IV)	-	-	-	-	110.78
	Less:Opening balance adjustment upto 31.3.2010 towards deferred tax on account of retrospective change in depreciation method (Refer note 2(a) of Annexure IV)	-	-	-	-	35.94
	Add: Profit for the year	707.04	683.12	501.14	524.11	376.15
	Less: Dividend on equity shares	12.60	16.41	10.75	10.75	16.16
	Less: Dividend on preference shares	-	-	-	-	2.00
	Less: Tax on distributed profits - Equity	2.56	1.49	1.84	1.75	2.62
	Less: Tax on distributed profits – Preference	-	-	-	-	0.33
	Less: Transfer to general reserve	-	35.00	20.00	20.00	20.00
	Sub total (C)	**2,904.39**	**2,212.49**	**1,582.27**	**1,113.72**	**622.11**
	Total	**3,413.56**	**2,625.59**	**1,924.74**	**1,436.19**	**924.58**

ANNEXURE – XIV : RESTATED SUMMARY STATEMENT OF LONG TERM BORROWINGS

(Rs. in Millions)

Particulars	Long-term borrowings					Current Maturities of long-term borrowings				
	As at March 31,					As at March 31,				
	2015	**2014**	**2013**	**2012**	**2011**	**2015**	**2014**	**2013**	**2012**	**2011**
Secured **Term loans**										
From banks										
Axis bank	108.58	78.41	41.27	72.65	84.48	70.55	67.50	55.08	43.11	28.90
State Bank of Hyderabad	-	-	2.30	11.50	21.04	-	2.36	9.20	9.20	9.20
HDFC	10.82	9.74	14.31	22.77	16.12	12.91	12.21	24.65	39.16	31.80
ICICI	66.55	-	2.00	6.52	4.20	53.84	7.65	4.51	5.07	6.57
Standard Chartered Bank	-	0.12	10.60	30.51	45.21	0.16	10.57	46.90	53.34	33.02
Kotak Mahindra Bank	3.64	-	-	4.52	9.50	2.16	-	4.52	4.98	13.42
State Bank of India	20.36	36.65	-	-	-	16.28	16.28	-	-	-
Standard Chartered Bank (Under Buyers credit) National Bank of Abudhabi	- 1.40	28.55 -	- -	- -	- -	29.73 1.56	- -	- -	- -	- -
From Non-banking financial companies										
Bajaj Finance	-	-	5.98	23.99	-	-	5.98	18.01	23.21	-
L&T Finance	-	-	-	0.20	-	-	-	0.21	0.59	-
SREI	-	6.82	27.84	51.14	82.33	6.82	21.02	23.30	31.19	41.00
HDB Financial Services	27.73	-	-	-	-	14.03	-	-	-	-
TATA Capital	6.44	-	-	-	-	3.30	-	-	-	-
Other Companies	-	-	-	-	-	-	-	-	-	32.62
Unsecured										
Debentures										
1,125(1,500) 2% Compulsorily Convertible Debentures of Rs. 100,000 each	-	112.50	150.00	150.00	150.00	-	-	-	-	-
Deferred payment liabilities to suppliers	-	-	24.75	201.25	48.04	133.63	277.36	310.51	75.46	-
Total	**245.52**	**272.79**	**279.05**	**575.05**	**460.92**	**344.97**	**420.93**	**496.89**	**285.31**	**196.53**

PARTICULARS OF LONG TERM BOROWINGS AND THEIR TERMS OF REPAYMENT AND SECURITIES PROVIDED

(Rs. in Millions)

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
1	SREI	QUY 80 B & 50 C Hydraulic Crawler Crane	29.00	22.09.2010	22.06.2015	1.86	-	1.86	9.00%	**58**	ASSET BACKED LOANS	4% will be charged on future principle outstanding amount at time of foreclosure request
2	SREI	QUY 80 B & 50 C Hydraulic Crawler Crane	29.28	05.10.2010	05.07.2015	2.48	-	2.48	9.00%	**58**	ASSET BACKED LOANS	4% will be charged on future principle outstanding amount at time of foreclosure request
3	SREI	QUY 80 B & 50 C Hydraulic Crawler Crane	29.27	15.10.2010	15.07.2015	2.48	-	2.48	9.00%	**58**	ASSET BACKED LOANS	4% will be charged on future principle outstanding amount at time of foreclosure request
4	SCB	INDUCTION HEATING MACHINE (KORADI)	3.58	27.05.2012	12.04.2015	0.15	-	0.15	12.50%	**36**	TERM LOAN	4% on Outstanding Amount
5	AXIS BANK	TRANSIT MIXER	0.81	15.06.2012	15.04.2015	0.03	-	0.03	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
6	AXIS BANK	TRANSIT MIXER	0.81	15.06.2012	15.04.2015	0.03	-	0.03	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
7	AXIS BANK	ASHOK LEYLAND CHASIS	2.01	15.06.2012	15.04.2015	0.07	-	0.07	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
8	AXIS BANK	ASHOK LEYLAND CHASIS	2.01	15.06.2012	15.04.2015	0.07	-	0.07	10.90%	**35**	ASSET BACK	within 6months 10% of the loan outstanding

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											ED LOANS	and 5% of the outstanding after 6months
9	HDFC	BENZ CAR	3.65	07.07.2012	17.06.2015	0.35	-	0.35	10.25%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
10	AXIS BANK	TRANSIT MIXER	0.72	20.08.2012	20.06.2015	0.07	-	0.07	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
11	AXIS BANK	ASHOK LEYLAND CHASIS	1.99	20.08.2012	20.06.2015	0.20	-	0.20	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
12	AXIS BANK	MAHINDRA TRUCK (DI-3200)	0.55	10.11.2012	10.09.2015	0.11	-	0.11	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
13	AXIS BANK	AMBULENCE	0.28	10.11.2012	10.09.2015	0.06	-	0.06	11.25%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
14	AXIS BANK	SWARAJ MAZDA BUS	1.16	10.11.2012	10.09.2015	0.23	-	0.23	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
15	AXIS BANK	TAYOTA INNOVA	1.20	01.11.2012	01.10.2015	0.26	-	0.26	10.00%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
16	AXIS BANK	BOLERO	0.70	01.11.2012	01.10.2015	0.15	-	0.15	10.00%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
17	AXIS BANK	TRANSIT MIXER	0.72	05.12.2012	05.10.2015	0.16	-	0.16	10.65%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
18	AXIS BANK	AMBULENCE	0.25	15.12.2012	15.10.2015	0.06	-	0.06	11.25%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
19	AXIS BANK	SML ISUZU 41 SEATER BUS	1.24	15.12.2012	15.10.2015	0.28	-	0.28	10.65%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
20	AXIS BANK	SML ISUZU 41 SEATER BUS	1.24	15.12.2012	15.10.2015	0.28	-	0.28	10.65%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
21	AXIS BANK	400 KVA DG SET	1.69	05.01.2012	05.11.2015	0.44	-	0.44	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
22	AXIS BANK	BOLERO	0.59	15.01.2013	15.12.2015	0.16	-	0.16	9.51%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
23	HDFC	HOND CITY	0.97	07.03.2013	07.02.2016	0.33	-	0.33	9.90%	**36**	ASSET BACKED LOAN	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											S	month 5% and after 24thmonth 3%
24	HDFC	PORSCHE CAYENNE CAR	9.85	05.05.2013	05.04.2016	3.88	0.31	3.57	9.52%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
25	HDFC	TATA COWL CHASSIS	1.72	01.05.2013	01.03.2016	0.65	-	0.65	10.06%	**35**	ASSET BACKED LOANS	within 6months 4% and within 7months to 12months 4% and within 13th months to 24th months 2%
26	HDFC	TATA COWL CHASSIS	1.72	01.05.2013	01.03.2016	0.65	-	0.65	10.06%	**35**	ASSET BACKED LOANS	within 6months 4% and within 7months to 12months 4% and within 13th months to 24th months 2%
27	HDFC	TOYOTA ALTIS	1.44	07.08.2013	07.07.2016	0.69	0.18	0.51	9.74%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
28	HDFC	MARUTHI SWIFT	0.82	07.08.2013	07.07.2016	0.39	0.10	0.29	9.97%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
29	AXIS BANK	TATA 709	0.93	20.08.2013	20.06.2016	0.43	0.09	0.34	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
30	AXIS BANK	SWARAJ MAZDA BUS	1.49	01.09.2013	01.07.2016	0.74	0.19	0.54	10.50%	**35**	ASSET BACKED LOAN	within 6months 10% of the loan outstanding and 5% of the outstanding after

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											S	6months
31	AXIS BANK	BOLERO CAMPER	0.53	01.09.2013	01.07.2016	0.26	0.07	0.19	11.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
32	AXIS BANK	SWARAJ MAZDA BUS	1.39	20.09.2013	20.07.2016	0.69	0.18	0.51	10.50%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
33	AXIS BANK	BOLERO	0.61	01.09.2013	01.08.2016	0.31	0.10	0.21	10.27%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
34	AXIS BANK	BOLERO PLUS 9 SEATER	0.63	01.09.2013	01.08.2016	0.32	0.10	0.22	10.25%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
35	HDFC	INNOVA	1.56	07.10.2013	07.09.2016	0.84	0.29	0.55	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
36	HDFC	BOLERO PLUS 9 SEATER	0.52	07.11.2013	07.10.2016	0.30	0.12	0.18	11.51%	**36**	ASSET BACKED LOANS	with in 6months 4% and within 7months to 12months 4% and within 13th months to 24th months 2%
37	AXIS BANK	BOLERO PICKUP	0.56	01.11.2013	01.09.2016	0.31	0.11	0.20	11.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
	AXIS	BOLERO SLX		15.11.2013	15.10.2016				10.50%	**36**	ASSET	within 6months 10% of

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
38	BANK		0.73			0.41	0.16	0.25			BACKED LOANS	the loan outstanding and 5% of the outstanding after 6months
39	AXIS BANK	TIL CRANE 75TON	28.85	01.12.2013	01.10.2016	16.78	6.52	10.26	10.80%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
40	AXIS BANK	BOLERO XL A/C 9STR	0.67	01.12.2013	01.11.2016	0.40	0.17	0.23	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
41	AXIS BANK	BOLERO XL NON A/C 9STR	0.63	15.12.2013	15.11.2016	0.37	0.16	0.22	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarant	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											or	
42	AXIS BANK	BOLERO PICKUP	0.58	01.12.2013	01.10.2016	0.34	0.13	0.21	11.50%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
43	HDFC	TAYOTA INNOVA	1.41	07.12.2013	07.11.2016	0.84	0.35	0.48	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
44	AXIS BANK	SML ISUZU 40 SEATER BUS	1.84	01.01.2014	01.11.2016	1.12	0.47	0.65	10.85%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
45	AXIS BANK	BOLERO PLUS 9 SEATER	0.62	01.01.2014	01.12.2016	0.39	0.17	0.21	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											and S.Lakshmi for Guarantor	
46	SBI	SCC 2500 C Hydraulic Crawler Crane(LC NO.2034310IM0000059)	57.00	31.01.2014	30.06.2017	36.65	20.36	16.28	12.25%	**42**	AS PER SANCTION LETTER	2% of outstanding for construction Equipment Loan
47	AXIS BANK	SANY SCC 300 TON CRANE	62.92	05.02.2014	05.12.2017	46.97	31.54	15.43	11.26%	**47**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
48	AXIS BANK	BOLERO 9STR	0.63	15.02.2014	15.01.2017	0.41	0.19	0.21	10.61%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
49	AXIS BANK	BOLERO 9STR	0.62	15.02.2014	15.01.2017	0.40	0.19	0.21	10.61%	**36**	ASSET BACKED LOAN	within 6months 10% of the loan outstanding and 5% of the outstanding after

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											S/ S.Kishore Babu and S.Lakshmi for Guarantor	6months
50	AXIS BANK	BOLERO PLUS 9	0.61	01.03.2014	01.02.2017	0.41	0.21	0.21	10.61%	**36**	ASSET BACKED LOAN S/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
51	AXIS BANK	BOLERO 9STR	0.65	01.03.2014	01.02.2017	0.44	0.22	0.22	10.60%	**36**	ASSET BACKED LOAN S/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
52	AXIS BANK	BOLERO PICKUP	0.55	01.03.2014	01.01.2017	0.37	0.18	0.19	11.25%	**35**	ASSET BACKED LOAN S/ S.Kishore Babu	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											and S.Lakshmi for Guarantor	
53	AXIS BANK	FORCE CRUSIER	0.74	01.04.2014	01.02.2017	0.51	0.26	0.25	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
54	AXIS BANK	BOLERO CAMPER	0.54	15.04.2014	15.02.2017	0.38	0.19	0.19	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
55	AXIS BANK	BOLERO PICKUP	0.54	15.04.2014	15.02.2017	0.38	0.19	0.19	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											Guarantor	
56	AXIS BANK	BOLERO XL PLUS	0.61	15.04.2014	15.03.2017	0.43	0.23	0.20	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
57	AXIS BANK	BOLERO 9STR	0.61	15.04.2014	15.03.2017	0.43	0.22	0.20	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
58	AXIS BANK	BOLERO 9STR	0.61	15.04.2014	15.03.2017	0.43	0.22	0.20	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
59	AXIS BANK	INNOVA	1.22	15.04.2014	15.03.2017	0.85	0.45	0.41	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
60	AXIS BANK	BOLERO SLX	0.72	15.04.2014	15.03.2017	0.51	0.27	0.24	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
61	AXIS BANK	BOLERO PLUS 9STR	0.61	15.05.2014	15.04.2017	0.44	0.24	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
62	AXIS BANK	BOLERO PICKUP	0.54	10.05.2014	10.03.2014	0.39	0.21	0.18	11.25%	**35**	ASSET BACKED	within 6months 10% of the loan outstanding and 5% of the

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	outstanding after 6months
63	ICICI	SANY CRAWLER CRANE 50TON (LC NO.2034311IM0000020)	14.60	15.05.2014	15.03.2017	10.55	5.59	4.96	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
64	ICICI	SANY CRAWLER CRANE 80TON (LC NO.2034311IM0000020)	23.40	15.05.2014	15.03.2017	16.90	8.96	7.95	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
65	ICICI	SANY CRAWLER CRANE 80TON (LC NO.2034311IM0000019)	23.40	15.05.2014	15.03.2017	16.90	8.96	7.95	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
66	ICICI	SANY CRAWLER CRANE 50TON (LC NO.2034311IM0000019)	14.55	15.05.2014	15.03.2017	10.51	5.57	4.94	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
67	AXIS BANK	SELF LOADING CONCRETE MIXER	3.31	20.05.2014	20.03.2017	2.38	1.26	1.13	10.85%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											Guarantor	
68	AXIS BANK	BOLERO PICKUP	0.55	05.06.2014	15.04.2017	0.41	0.22	0.18	11.25%	**35**	ASSET BACKED LOAN S/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
69	AXIS BANK	TRACTOR WITH HYDRAULIC TRAILOR	0.69	05.06.2014	05.04.2017	0.52	0.28	0.23	11.26%	**35**	ASSET BACKED LOAN S/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
70	AXIS BANK	BOLERO XL PLUS	0.63	15.06.2014	15.05.2017	0.47	0.27	0.20	10.75%	**36**	ASSET BACKED LOAN S/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
71	AXIS BANK	SML ISUZU BUS 32 SEATER	1.18	01.07.2014	01.05.2017	0.91	0.52	0.39	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
72	AXIS BANK	SML ISUZU BUS 32 SEATER	1.22	01.07.2014	01.05.2017	0.94	0.54	0.41	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
73	AXIS BANK	SML ISUZU BUS 32 SEATER	1.22	01.07.2014	01.05.2017	0.94	0.54	0.41	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
74	AXIS BANK	SML ISUZU BUS 32 SEATER	1.24	01.07.2014	01.05.2017	0.95	0.54	0.41	10.76%	**35**	ASSET BACKED	within 6months 10% of the loan outstanding and 5% of the

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	outstanding after 6months
75	AXIS BANK	BOLERO 9STR	0.59	01.07.2014	01.06.2017	0.46	0.27	0.19	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
76	AXIS BANK	BOLERO 9STR	0.69	01.07.2014	01.06.2017	0.54	0.31	0.22	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
77	AXIS BANK	BOLERO 9STR	0.61	01.07.2014	01.06.2017	0.48	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kisho	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											re Babu and S.Lakshmi for Guarantor	
78	AXIS BANK	BOLERO 9STR	0.62	01.07.2014	01.06.2017	0.48	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
79	AXIS BANK	BOLERO PLUS	0.61	01.07.2014	01.06.2017	0.47	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
80	AXIS BANK	BOLERO XL	0.62	15.07.2014	15.06.2017	0.48	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Laksh	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											mi for Guarantor	
81	AXIS BANK	BOLERO 9STR	0.65	15.07.2014	15.06.2017	0.50	0.30	0.21	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
82	AXIS BANK	SML 32 SEATER BUS	1.21	15.07.2014	15.05.2017	0.94	0.53	0.40	10.76%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
83	AXIS BANK	SML 41 SEATER BUS	1.32	20.07.2014	20.05.2017	1.02	0.58	0.44	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
84	ICICI	80TON CRALWER CRANE (LC NO.856010026086-A)	23.40	22.07.2014	22.05.2017	18.12	10.33	7.79	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
85	ICICI	80TON CRALWER CRANE (LC NO.856010026059-A)	23.40	22.07.2014	22.05.2017	18.12	10.33	7.79	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
86	ICICI	50TON CRALWER CRANE (LC NO.856010026077-A)	14.60	22.07.2014	22.05.2017	11.30	6.44	4.86	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
87	ICICI	50TON CRALWER CRANE (LC NO.856010026077-A)	14.60	22.07.2014	22.05.2017	11.30	6.44	4.86	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
88	AXIS BANK	TATA 1109 TRUCK	1.19	05.08.2014	05.06.2017	0.95	0.56	0.39	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
89	AXIS BANK	JCB 3DX	1.87	05.08.2014	05.06.2017	1.50	0.87	0.62	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
90	AXIS BANK	BOLERO PICKUP	0.57	15.08.2014	15.06.2017	0.45	0.27	0.19	11.25%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
91	ICICI	SANY CONCRETE PUMP (LC NO.856010025693-A) USD 175000	8.34	07.08.2014	07.06.2017	6.69	3.94	2.75	12.25%	**35**	ASSET BACKED LOAN	5% of principal outstanding

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											S	
92	HDFC	TAYOTA INNOVA	1.48	07.08.2014	07.07.2017	1.19	0.71	0.47	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
93	HDFC	BOLERO SLX	0.74	05.09.2014	05.08.2017	0.61	0.38	0.23	10.76%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
94	HDFC	HOND CITY	1.00	05.09.2014	05.08.2017	0.83	0.51	0.32	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
95	HDFC	BOLERO 9STR	0.63	05.09.2014	05.08.2017	0.52	0.32	0.20	10.75%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
96	HDFC	BOLERO SLX	0.71	05.09.2014	05.08.2017	0.59	0.36	0.23	10.75%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
97	AXIS BANK	BOLERO PICKUP	0.55	15.08.2014	15.06.2017	0.44	0.26	0.18	11.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
98	HDFC	15TON HYDRAULIC MOBILE CRANE	1.69	15.10.2014	15.08.2017	1.43	0.88	0.55	10.50%	**35**	ASSET BACK	with In 6months not allowed and within 7th

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											ED LOANS	to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
99	HDFC	BOLERO XL PLUS	0.62	05.10.2014	05.09.2017	0.53	0.34	0.20	10.76%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
100	HDFC	BOLERO PLUS 9STR	0.63	07.09.2014	07.08.2017	0.52	0.32	0.20	10.75%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
101	HDFC	ASHOK LEYLAND	1.75	05.09.2014	05.07.2017	1.44	0.87	0.58	10.20%	**35**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
102	HDFC	HONDA CRV	2.43	05.09.2014	05.08.2017	2.01	1.24	0.77	10.00%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
103	AXIS BANK	MAHINDRA TRACTOR	0.66	20.09.2014	20.07.2017	0.55	0.33	0.22	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
104	AXIS BANK	FORCE CRUSIER	0.60	20.09.2014	20.07.2017	0.49	0.30	0.20	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

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105	AXIS BANK	BOLERO PICKUP	0.54	20.09.2014	20.07.2017	0.45	0.27	0.18	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
106	AXIS BANK	SWARAJ MAZDA BUS	1.26	20.09.2014	20.07.2017	1.03	0.62	0.41	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
107	AXIS BANK	SWARAJ MAZDA BUS	1.21	20.09.2014	20.07.2017	1.00	0.60	0.40	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
108	AXIS BANK	BOLERO PICKUP	0.55	20.10.2014	20.08.2017	0.46	0.29	0.18	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
109	AXIS BANK	BOLERO PLUS 9STR	0.62	15.10.2014	15.09.2017	0.53	0.33	0.20	10.50%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
110	AXIS BANK	BOLERO PLUS	0.62	15.10.2014	15.09.2017	0.53	0.33	0.19	10.50%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
111	AXIS BANK	TATA 1109 TRUCK	1.20	10.10.2014	10.08.2017	1.02	0.63	0.39	10.52%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
112	AXIS BANK	ASHOK LEYALAND 3518 TRACTOR	1.71	10.10.2014	10.08.2017	1.45	0.90	0.56	10.26%	**35**	ASSET BACKED LOAN	within 6months 10% of the loan outstanding and 5% of the outstanding after

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											S	6months
113	AXIS BANK	TATA 1109 TRUCK	1.26	20.10.2014	20.08.2017	1.07	0.66	0.41	10.53%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
114	HDFC	BOLERO PLUS 9STR	0.63	07.10.2014	07.09.2017	0.54	0.34	0.20	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
115	HDFC	BOLERO PLUS 9STR	0.66	07.10.2014	07.09.2017	0.57	0.36	0.21	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
116	KOTAK	16TON ESCORT CRANE	1.75	20.10.2014	20.08.2017	1.48	0.91	0.56	10.50%	**35**	ASSET BACKED LOANS	with in 6months 5% after 6months 3%
117	KOTAK	23TON CRANE	2.48	20.11.2014	20.09.2017	2.16	1.36	0.79	10.50%	**35**	ASSET BACKED LOANS	with in 6months 5% after 6months 3%
118	KOTAK	23TON CRANE	2.48	20.11.2014	20.09.2017	2.16	1.36	0.79	10.50%	**35**	ASSET BACKED LOANS	with in 6months 5% after 6months 3%
119	AXIS BANK	BOLERO PICKUP	0.57	20.11.2014	20.09.2017	0.50	0.31	0.18	11.03%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
120	AXIS BANK	TATA 1109 TRUCK	1.23	20.11.2014	20.09.2017	1.08	0.68	0.40	10.61%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
121	AXIS BANK	CONCRETE PUMP AND ACCESSORIES	2.43	10.01.2015	10.11.2017	2.25	1.48	0.77	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
122	AXIS BANK	CEMENT SILOS 100TON	0.31	10.01.2015	10.11.2017	0.29	0.19	0.10	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
123	AXIS BANK	CEMENT SILOS 100TON	0.31	10.01.2015	10.11.2017	0.29	0.19	0.10	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
124	AXIS BANK	BELT CONVEYOR SYSTEM	0.94	10.01.2015	10.11.2017	0.87	0.57	0.30	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
125	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
126	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
127	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOAN	within 6months 10% of the loan outstanding and 5% of the outstanding after

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											S	6months
128	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
129	AXIS BANK	FLY ASH FEEDING SYSTEM	0.50	10.01.2015	10.11.2017	0.46	0.30	0.16	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
130	AXIS BANK	BATCHING PLANT	3.96	10.01.2015	10.11.2017	3.67	2.41	1.25	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
131	AXIS BANK	BOLERO PICKUP	0.56	10.01.2015	10.11.2017	0.52	0.34	0.18	10.77%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
132	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
133	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
134	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
135	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACK	within 6months 10% of the loan outstanding

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											ED LOANS	and 5% of the outstanding after 6months
136	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
137	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
138	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
139	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
140	HDB FINANCIAL SERVICES	150TON CRAWLER CRANE (LC NO:856010028191-A USD 830000)	45.00	04.01.2015	04.11.2017	41.76	27.73	14.03	12.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	prepayment is allowed only after 6months, between 7 to 36months 4% of principle outstanding, beyond 36months 2% principle outstanding
141	AXIS BANK	BOLERO AC 9STR	0.64	15.01.2015	15.12.2017	0.59	0.40	0.20	10.50%	**36**	ASSET BACKED LOAN	within 6months 10% of the loan outstanding and 5% of the outstanding after

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											S	6months
142	AXIS BANK	JCB 3DX LOADER	2.04	15.01.2015	15.11.2017	1.89	1.24	0.65	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
143	AXIS BANK	JCB 3DX LOADER	2.04	15.01.2015	15.11.2017	1.89	1.24	0.65	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
144	AXIS BANK	SWARAJ MAZDA BUS	1.44	15.01.2015	15.11.2017	1.34	0.88	0.46	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
145	AXIS BANK	SWARAJ MAZDA BUS	1.41	15.01.2015	15.11.2017	1.31	0.86	0.45	10.52%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
146	AXIS BANK	100 TON CEMENT SILO	0.29	01.03.2015	01.01.2018	0.29	0.20	0.09	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
147	AXIS BANK	100 TON CEMENT SILO	0.29	01.03.2015	01.01.2018	0.29	0.20	0.09	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
148	AXIS BANK	FLY ASH FEEDING SYSTEM	0.62	01.03.2015	01.01.2018	0.61	0.41	0.19	1076.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
149	AXIS BANK	BATCHING PLANT	6.95	01.03.2015	01.01.2018	6.78	4.61	2.17	10.51%	**35**	ASSET BACK	within 6months 10% of the loan outstanding

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											ED LOANS	and 5% of the outstanding after 6months
150	AXIS BANK	FORCE CRUSIER	0.69	01.03.2015	01.01.2018	0.68	0.46	0.22	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
151	AXIS BANK	JCB 3DX LOADER	1.97	20.03.2015	20.01.2018	1.92	1.31	0.61	10.60%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
152	AXIS BANK	AGGREGATE CONVEYOR	0.68	20.03.2015	20.01.2018	0.66	0.45	0.21	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
153	AXIS BANK	SWARAJ MAZDA BUS	1.39	20.03.2015	20.01.2018	1.36	0.93	0.43	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
154	AXIS BANK	ASHOK LEYLAND 2518 RMC	2.01	10.03.2015	10.01.2018	1.96	1.33	0.63	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
155	AXIS BANK	CONCRETE MIXTURE	0.78	10.03.2015	10.01.2018	0.77	0.52	0.24	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
156	AXIS BANK	BOLERO CAMPER	0.55	01.03.2015	01.01.2018	0.54	0.37	0.17	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
157	TATA CAPITAL	SANY EXCAVATOR	4.86	15.03.2015	15.01.2018	4.72	3.11	1.61	3.73%	**35**	ASSET BACKED LOANS	4% of the loan outstanding and
158	HDFC	AUDI CAR Q3	4.04	07.04.2015	07.03.2018	4.04	2.83	1.22	10.00%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
159	AXIS BANK	CONCRETE PUMP AND ACCESSORIES	2.13	10.04.2015	10.02.2018	2.13	1.47	0.66	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
160	AXIS BANK	PUTZMEISTER CONCRETE BOOM PLACER	10.66	10.04.2015	10.02.2018	10.66	7.37	3.29	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
161	AXIS BANK	CONCRETE MIXTURE	0.74	20.04.2015	10.02.2018	0.74	0.51	0.23	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
162	AXIS BANK	CONCRETE MIXTURE	0.74	20.04.2015	10.02.2018	0.74	0.51	0.23	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
163	AXIS BANK	ASHOK LEYLAND 2518 RMC	2.01	20.04.2015	10.02.2018	2.01	1.39	0.62	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
164	AXIS BANK	ASHOK LEYLAND 2518 RMC	2.01	20.04.2015	10.02.2018	2.01	1.39	0.62	10.51%	**35**	ASSET BACKED	within 6months 10% of the loan outstanding and 5% of the

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											LOANS	outstanding after 6months
165	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.43	20.04.2015	10.02.2018	2.43	1.68	0.75	10.44%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
167	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.43	20.04.2015	10.02.2018	2.43	1.68	0.75	10.44 %	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
168	TATA CAPITAL	SANY EXCAVATOR	5.01	21.04.2015	21.02.2018	5.01	3.32	1.69	1.80%	**35**	ASSET BACKED LOANS	4% of the loan outstanding and
169	SCB	SBI DOHA (BUYERS CREDIT) 20T TOWER CRANE (LC .NO.	28.17		26.06.2015	30 .00	-	30.00	1.97%	BULLET PAYMENT	Buyers Bullet Payment	
170	NATIONAL BANK OF ABUDHABI	TOYATA COASTER VEHCLE	3.20	15.02.2015	15.01.2017	2.96	1.40	1.56	4.27%	24	TERM LOAN	
			679.37		**TOTAL**	**456.85**	**245.52**	**211.33**				

Note 1:

The non-current portion of Rs.245.52 mn of above term loans outstanding as on 31.03.2015 are repayable in following manner.

FY 2016-17: -Rs.175.65 mn, FY 2017-18: Rs.69.87 mn

Note 2: Debentures:

The company issued 1500 2% Compulsorily convertible debentures of Rs.1,00,000/- each during the financial year 2010-11. The debentures are to be convertible into 7,50,000 Equity shares of Rs. 10/- each at a premium of Rs. 190/- each at any time at the option of debenture holders within a period of 5years and shall rank paripassu in all respects and identical with the existing Equity shares of the company with reference to all rights and benefits, including but not limited to voting rights, dividends, stock splits, bonus and/or rights issuance and all other provisions provided in agreement to issue.

1 As per the terms of the agreement, one of the Debenture holders, India Business Excellence Fund exercised their option of conversion of 375 debentures, whereby 1,87,500 equity shares of Rs.10/- each were allotted at a premium of Rs.190/- each in the F.Y – 2013-14.

2 As per the terms of the agreement, the other Debenture holder, India Business Excellence Fund - 1 exercised their option of conversion of 1125 debentures, whereby 5,62,500 equity shares of Rs.10/- each were allotted at a premium of Rs.190/- each in the F.Y – 2014-15.

ANNEXURE – XV : RESTATED STATEMENT OF COMPONENTS OF DEFERRED TAX

(Rs. in Millions)

Particulars	**As at March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
a) Liability:					
On Fixed Assets towards Depreciation	48.98	87.33	73.42	58.89	49.68
b) Assets :					
Loss on Foreign exchange fluctuations	1.10	8.96	5.36	(6.26)	0.29
disallowed under Sec: 43A					
c) Disallowances u/s 43B of Income-tax	0.68	-	-	-	-
Total	**47.20**	**78.37**	**68.06**	**65.15**	**49.39**

ANNEXURE - XVI : RESTATED SUMMARY STATEMENT OF OTHER LIABILITIES **(Rs. in Millions)**

Particulars	Non-current					Current				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Current maturities of long-term debt	-	-	-	-	-	344.97	420.93	496.89	285.31	196.53
Mobilisation advances from customers	262.68	358.68	505.78	692.28	439.18	326.27	251.00	461.07	471.97	359.83
Retention money and security deposits due to sub-contractors	378.58	577.36	323.24	174.23	100.09	268.76	133.30	103.17	87.94	102.45
Creditors for capital goods	-	-	-	-	-	9.60	82.60	6.35	5.72	9.36
Advances received from customers against supplies/works	-	-	-	-	-	300.38	179.58	123.65	130.26	5.25
Interest accrued and due on borrowings	-	-	-	-	-	0.41	0.77	0.15	0.27	-
Interest accrued but not due on borrowings	-	-	-	-	-	0.40	0.39	0.80	0.87	1.57
Staff security deposits	-	-	-	-	-	-	-	-	3.43	2.30
Unclaimed Dividend	-	-	-	-	-	0.18	0.07	0.12	0.04	-
Employee related payments	-	-	-	-	-	103.07	120.38	56.35	32.35	27.18
Statutory liabilities	-	-	-	-	-	78.97	86.78	29.87	92.29	96.26
Others	-	-	-	-	-	155.32	77.82	54.40	47.49	19.36
Total	**641.26**	**936.04**	**829.02**	**866.51**	**539.27**	**1,588.33**	**1,353.62**	**1,332.82**	**1,157.94**	**820.09**

Note: Current maturities represent amounts to be settled within 12 months after the date of Balance Sheet. The segregation of above amounts between current and non current are made based on the time schedule in execution of projects, probability in completion of works, estimation in turnover, terms of release of payments and estimations made by the management.

ANNEXURE – XVIII : RESTATED SUMMARY STATEMENT OF SHORT-TERM BORROWINGS

(Rs. in Millions)

Particulars	As at March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Secured:					
a. Working capital loans from banks					
From State bank of Hyderabad	536.27	530.60	494.98	187.56	33.44
From Axis Bank	-	-	-	50.53	50.45
From Standard Chartered Bank	250.00	50.00	50.00	50.00	-
From ICICI	50.46	50.37	50.00	-	-
From Citi Bank (Bill discounting)	46.82	247.66	199.98	-	-
From State Bank of India	769.03	298.35	-	-	-
From Ratnakar Bank	240.00	-	-	-	-
b. Over draft facility from banks					
From State Bank of Hyderabad	86.64	92.57	50.03	26.16	9.14
From State Bank of India	-	27.15	26.65	-	-
Unsecured:					
From SIDBI under MSME- Receivable finance scheme	-	97.28	-	-	-
Total	**1,979.22**	**1,393.98**	**871.64**	**314.25**	**93.03**

a) Working capital loans from SBH, Standard Chartered bank, SBI, ICICI bank and Ratnakar bank are secured by way of first charge on entire current assets of the company on pari passu basis. Further these loans are secured by way of first charge on fixed assets both present and future, excluding those assets against which charge was given to equipment financiers. The rate of interest ranges from 10.35% to 12.00%. The said loans are collaterally secured by way of equitable mortgage of immovable properties belonging to the company, Managing director, director and a firm.

b) In case of loan from Ratnakar bank, the company is in the process of creating security against its assets as per the terms of sanction.

c) Bill discounting facilities with Citi Bank is secured by way of first charge on pari-passu basis on inventories and book debts of the company.

d) Overdraft facility from banks is secured against fixed deposits with banks.

e) All the above loans are guaranteed by Managing Director and a director in their personal capacities.

Particulars of Short term Borrowings and their terms of Sanction and securities provided:

(Rs. in Millions)

Sl. No	Name of the lender	Nature of	Sancationed	Sanctioned / Renewal Date	Sanctioned Expiry Date	Amount	Borrowings As at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
1	STATE BANK OF HYDERABD	CASH CREDIT	550.00	16.02.2015	15.02.2016	550.00	536.27	10.95%	12	DETAILS ATTACHED	NOT APPLICABLE
2	STANDARED CHARTERED BANK	Export Preshipment Loan	250.00	06.08.2014	05.08.2015	250.00	250.00	11.30%	12	DETAILS ATTACHED	NOT APPLICABLE
3	ICICI BANK LIMITED	WCDL	50.00	09.01.2015	08.01.2016	50.00	50.46	11.50%	12	DETAILS ATTACHED	NOT APPLICABLE
4	STATE BANK OF INDIA	CC	300.00	13.11.2014	12.11.2015	300.00	264.63	11.50%	12	DETAILS ATTACHED	NOT APPLICABLE
5	STATE BANK OF INDIA	WCDL	500.00	13.11.2014	12.11.2015	500.00	504.40	10.35%	12	DETAILS ATTACHED	NOT APPLICABLE
6	CITI BANK	Bill Discounting	50.00	03.03.2015	02.03.2015	50.00	46.82	10.75%	12	DETAILS ATTACHED	NOT APPLICABLE
7	RATNAKAR BANK LIMITED	WCDL	150.00	22.01.2015	21.01.2016	150.00	150.00	12.00%	12	DETAILS ATTACHED	NOT APPLICABLE
8	RATNAKAR BANK LIMITED	WCDL	90.00	26.03.2015	25.03.2016	90.00	90.00	12.00%	12	DETAILS ATTACHED	NOT APPLICABLE
	Total		**1,9440.00**			**1,940.00**	**1,892.58**				

Details of Securities Provided for Short Term Borrowings:

(Rs. in Millions)

Facility	Details of Security	Owned by	Type of charge	Value (Rs. In Millions)	Date of Valuation	Basis of Valuation
1	Agricultural Land at Singupalem,Repalle, Guntur Dist. In the Name of S.Kishore Babu			2.00	28.03.2012	SBH
	Extent	Survey No.				
	2.50 acres	355/2,2C/1A				
2	Agricultural Land at Singupalem village,Repalle Mandal ,Guntur Dist. In the Name of S.Kishore Babu			3.20	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	4.00 acres	356/1,3,4,5,7,8,9,10,11,357/4,5				
3	Agricultural Land at Singupalem Village,Repalle mandal, Guntur Dist. In the Name of S.Kishore Babu			1.70	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	3.40acres	359/2,3, 361/5,7,1				
4	Agricultural Land at Gangadipalem village,Repalle mandal, Guntur Dist. In the Name of S.Kishore Babu			6.10	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	12.11 acres	Division No: 877,878 & 880				
5	Residential Flat at 3rd floor,flat No.17,Keerthi apartments, Gayatri Nagar,Vijayawada in the name of S. Kishore Babu			3.00	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	1052 sq yards	11/5(New 47/2A1)				
6	Residential Flat at 12-455/A, Flat No.4 & 5, IIIrd Floor, Hi-way Towers ,Kunchanapalli Village,Tadepalli,Guntur Dist. In the name of M/s. Lakshmi Agro Farms(Rep. S.Lakshmi)			2.60	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	34.14 sq. Yards	90-3				
7	Residential site/ Staff quarters at Ward No.27 BDP No.356,P.H.No.4,Ambica Mandir Road,, Balco Nagar ,Risda Area,Korba , Chattisgharh in the name of M/s. Power Mech Projects Limited			3.80	08.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	10777.88 sq. ft.	Kh. No.860/2, W.No.27				
8	Residential Apartments at F-202,2nd floor,Parijaat Apartment,Vikas Nagar, Wardha Road, Nagpur in the name of S.Lakshmi			5.00	08.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	928.97 sq. ft.	KH .No.43/5, Ward No.75,House No.1429.				
9	*Residential Apartment at Flat No.403,3rd Floor, Vamshi Rishi Residency, Begumpet, Hyderabad in the name of S.Kishore Babu*			*4.5*	*18.04.2012*	*D.Venkata Reddy (SBH Panel Valuer)*
	Extent	*Survey No.*				
	1474 sq. ft.	*M.C.H.No.6-3-865/B*				
10	*Office Building at Plot No's-21 & 22, K.H.Nos 91/1 & 106/3, Parsodi village, Nr Nagpur-Wardha Highway, Tehsil Nagpur Rural, Nagpur Dist. in the name of Power Mech Projects Ltd*			*4.00*	*08.03.2012*	*D.Venkata Reddy (SBH Panel Valuer)*
	Extent	Survey No.				
	358.66 sq. yards (300 sq. mts)	H.No 91/1 & 106/3, Plot No21 & 22				

Facility	Details of Security	Owned by	Type of charge	Value (Rs. In Millions)	Date of Valuation	Basis of Valuation
11	Flat at Flat N.2-RE,2nd Floor, Block-1, "Ruby Apartment",Maniratnam Housing Complex, Bhatanda,Rajarhat 24 paraganas (N) Kolkata in the name of Power Mech Projects Ltd.			5.50	15.05.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	Plinth Area 1510 sft , car parking 120 sft.	Khatian Nos-1637,1638,672,673				
12	Building at Flat No.402,4th Floor,Swasthik pride, Land Mark- Union Bank of India, D.K.Sandu Marg, chembur,Mumbai-400 071 in the name of Power Mech Projects Ltd.			22.20	15.06.2011	Vilakshan Management Services (govt. Approved Valuers)
	Extent	Survey No.				
	1022 sq. ft.	Plot No.51, CTS Nos.942,942(1) to (4), Village Chembur, Taluka Kurla				
13	Land & Building at Narayari village, Janjgir,champa, Akaltara(Dist.), Chattisgarh in the name of Power Mech Projects Ltd.			16.80	29.10.11	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	4.20 acres	R.S.No's.1692/9,10,11 &12				
14	Building at 60-22-4/13/1,kakani Venkata Ratnam Veedhi, Gayatrinagar,Vijayawada in the name of S.Lakshmi			28.00	11.03.2013	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	340 sq. Yards	14/2				
15	Vacant land at Mouzananda,Kamptee, Nagpur,M.H in the name of Power Mech Projects Ltd.			15.40	02.10.2012	Amitabh Belekar (Approved Valuer)
	Extent	Survey No.				
	5.09 acres (2.06 Hectors)	Kh No.181/1				
16	Industrial plots at Plot No.15 to 25, Tunda Village,sriacha-kandagara Road, Mundra Taluka, Kutch Dist., Gujarat in the name of Power Mech Projects Ltd.			7.70	11.10.2012	Best Appraisal Consultants
	Extent	Survey No.				
	1640.97 sq Mtrs.	Plot No:15 to 25 (Sy. No.48/1)				
17	Building at H.No.1-98/5/5/13,Plot No.77, Jublee Enclave ,Opp: Hytex, Madhapur, Hyderabad in the name of Power Mech Projects Ltd.			52.60	20.01.2013	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	25000 sft.	66 & 67				
18	Building at Flat No.401,4th floor, Sri Sai Avenue, D.No.26/1/1766/K/17,Srinagar Colony, Nellore in the name of Power Mech Projects Ltd.			4.00	01.07.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	1381 sq ft	Survey No.682/1(Nellore City, Kondayapalem No.81,82,83)				
19	Building at Flat No.F-1607,16th Floor , Type-7, Block-F,Jaipuria Sunrise Greens, Ahinsa Khand Indirapuram,Ghaziabad, New Delhi in the name of Power Mech Projects Ltd.			5.00	Value as per sale Deed	--
	Extent	Survey No.				
	1282 sq.ft.	Ward/ Pargana:049/0571				

ANNEXURE - XIX : RESTATED SUMMARY STATEMENT OF TRADE PAYABLES

(Rs. in Millions)

Particulars	Non-current					Current				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Dues to : Small and Micro Enterprises (Refer Note below)	-	-	-	-	-	56.46	-	-	-	-
: Other than Small and Micro Enterprises	-	-	-	-	-	2151.46	1,869.70	1,458.32	677.90	495.16
Total	-	-	-	-	-	**2,207.92**	**1,869.70**	**1,458.32**	**677.90**	**495.16**

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on and to the extent of information obtained during the year 2014-15 and available with the company, with regard to the status of their suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT), on which the auditors have relied, the disclosure requirement with regard to the payment made/ due to Micro, Small and Medium Enterprises are given below.

(Rs. in Millions)

PARTICULARS	As at March 31,				
	2015	2014	2013	2012	2011
1. Amount remaining unpaid, beyond the appointed /					
agreed day at the end of the year					
(a) Principal amount of bills to be paid	23.83	-	-	-	-
(b) Interest due there on	1.81				
2. (a) Payment made to suppliers, during the year,					
but beyond appointed / agreed date					
Interest there on in terms of Sec 16 of the Act	-	-	-	-	-
(b) Interest paid along with such payments					
during the year	-	-	-	-	-
(c) Interest due and payable at the end of the					
year on such payments made during the year.	-	-	-	-	-
3. Amount of Interest for the year u/s 16 of the Act.					
Accrued and remaining un paid at the end of the					

PARTICULARS	As at March 31,				
	2015	2014	2013	2012	2011
year	1.81	-	-	-	-
4. Total amount of interest u/s 16 of the Act. Including					
that arising in earlier years, accrued and					
remaining unpaid at end of the year	1.81				

ANNEXURE – XVII : RESTATED SUMMARY STATEMENT OF PROVISIONS

(Rs. in Millions)

	As at March 31,									
	Long term					Short term				
Particulars	**2015**	**2014**	**2013**	**2012**	**2011**	**2015**	**2014**	**2013**	**2012**	**2011**
a) Provision for employee benefits										
- Group gratuity (Net of plan assets)	-	-	-	-	-	0.93	1.28	0.06	1.86	0.53
- Leave Encashment (Unfunded)	1.86	-	-	-	-	5.07	5.04	2.73	4.14	1.88
b) Provision for Income-tax	-	-	-	-	-	1,246.65	870.13	750.29	500.51	258.00
c) Proposed Equity dividend	-	-	-	-	-	12.58	16.41	10.75	10.75	16.13
d) Provision for tax on equity dividend	-	-	-	-	-	2.56	1.49	1.83	1.74	2.62
e) Provision for Dividend on Preference shares	-	-	-	-	-	-	-	-	-	2.00
f) Provision for Tax on distributed profits on Preference dividend	-	-	-	-	-	-	-	-	-	0.33
Total	**1.86**	**-**	**-**	**-**	**-**	**1,267.79**	**894.35**	**765.66**	**519.00**	**281.49**

Disclosure pursuant to requirements of AS-15 "Employee Benefits" **(Rs. in Millions)**

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Defined Benefit Plan: Group Gratuity					
Expenses recognised in Profit and Loss Account:					
Current service cost	4.97	4.97	4.05	2.56	1.98
Interest cost	2.05	1.50	1.17	0.78	0.55
Expected return on plan assets	(2.45)	(1.89)	(1.48)	1.01	0.69
Net actuarial (gain)/loss	0.81	0.75	(0.89)	1.68	0.38
Past Service Cost	--	--	--	--	--
Net expense recognised in statement of P&L	5.38	5.33	2.84	4.02	2.22
Reconciliation of Fair value of plan assets:					
Assets at the beginning of the year	24.36	18.70	12.71	9.27	6.14
Contributions	5.73	4.11	4.64	2.69	2.43
Actual return on plan assets	2.45	1.89	1.48	1.01	0.69
Benefits paid	(0.15)	(0.34)	(0.13)	0.26	--
Assets at the end of the year	32.39	24.36	18.70	12.71	9.27
Reconciliation of changes in present value of defined benefit obligations:					
PV of obligation at the beginning of the year	25.64	18.76	14.57	9.80	6.89
Current service cost	4.97	4.97	4.05	2.56	1.98
Interest cost	2.05	1.50	1.17	0.78	0.55
Benefits paid	(0.15)	(0.34)	(0.13)	0.26	--
Actuarial (gain)/loss	0.81	0.75	(0.89)	1.68	0.38
PV of obligation at the end of the year	33.32	25.64	18.76	14.57	9.80
Net liability recognized in the balance sheet:					
PV of obligation at the end of the year	33.32	25.64	18.76	14.57	9.80
Assets at end of the year	32.39	24.36	18.70	12.71	9.27
Funded status	0.93	1.28	0.06	1.86	0.53
Net liability recognized in balance sheet	0.93	1.28	0.06	1.86	0.53
Actuarial assumptions:					
Discount rate	8%	8%	8%	8%	8%
Salary escalation	7%	7%	7%	7%	7%

Disclosure pursuant to requirements of AS-15 "Employee Benefits" **(Rs. in Millions)**

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Defined Benefit Plan: Leave encashment					
Expenses recognised in Profit and Loss Account:					
Current service cost	0.58	--	--	--	--
Interest cost	--	--	--	--	--
Expected return on plan assets	--	--	--	--	--
Net actuarial (gain)/loss	1.37	--	--	--	--
Past Service Cost	--	--	--	--	--
Net expense recognised in statement of P&L	1.96	--	--	--	--
Reconciliation of Fair value of plan assets:					
Assets at the beginning of the year	--	--	--	--	--
Contributions	--	--	--	--	--
Actual return on plan assets	--	--	--	--	--
Benefits paid	--	--	--	--	--
Assets at the end of the year	--	--	--	--	--
Reconciliation of changes in present value of defined benefit obligations:					
PV of obligation at the beginning of the year	0.58	--	--	--	--
Current service cost	--	--	--	--	--
Interest cost	--	--	--	--	--
Benefits paid	--	--	--	--	--
Actuarial (gain)/loss	1.37	--	--	--	--
PV of obligation at the end of the year	1.96	--	--	--	--
Net liability recognized in the balance sheet:					
PV of obligation at the end of the year	1.96	--	--	--	--
Assets at end of the year	--	--	--	--	--
Funded status	1.96	--	--	--	--
Net liability recognized in balance sheet	1.96	--	--	--	--
Actuarial assumptions:					
Discount rate	8%	--	--	--	--
Salary escalation	5%	--	--	--	--

ANNEXURE XX :

A. DETAILS OF FIXED ASSETS

(Rs. in Millions)

Name of the asset	As on 31.03.2015			As on 31.03.2014			As on 31.03.2013		
	Gross cost	Accu. deprn.	Closing WDV	Gross cost	Accu. deprn.	Closing WDV	Gross cost	Accu. deprn.	Closing WDV
Tangible assets:									
Land	30.74	-	30.74	25.28	-	25.28	24.18	-	24.18
Office buildings	136.60	17.31	119.29	133.19	10.82	122.37	68.25	6.81	61.44
Plant and machinery	498.17	296.11	202.96	423.05	229	194.05	369.55	166.36	203.19
Furniture and fittings	37.84	26.19	11.65	26.91	18.45	8.46	21.12	12.61	8.52
Computers	42.01	24.36	17.64	30.24	17.86	12.38	25.04	12.53	12.51
Office equipments	81.75	46.15	35.60	62.52	31.18	31.33	48.54	19.53	29.01
Motor cars and jeeps	159.40	81.33	78.07	129.23	60.55	68.68	112.33	46.25	66.08
Vehicles	1912.96	692.99	1,219.97	1,732.27	546.81	1,185.47	1,628.12	408.55	1,219.58
Temporary sheds	468.77	410.63	58.15	395.65	324.61	71.04	305.07	248.55	56.52
Total –A	**3,368.24**	**1595.07**	**1,773.17**	**2958.34**	**1239.28**	**1719.06**	**2602.20**	**921.19**	**1681.01**
Intangible assets:				-	-		-	-	-
Powermech Brand	0.02	0.02	0.01	0.02	0.01	0.01	0.02	0.01	0.01
Computer Software	18.83	7.78	11.04	17.37	4.33	13.04	13.51	1.53	11.98
Total –B	**18.85**	**7.80**	**11.05**	**17.39**	**4.34**	**13.05**	**13.53**	**1.54**	**11.99**
Grand total (A+B)	**3,387.09**	**1,602.87**	**1,784.22**	**2,975.73**	**1,243.62**	**1,732.11**	**2,615.73**	**922.73**	**1,693.00**

(Rs. in Millions)

Name of the asset	As on 31.03.2012			As on 31.03.2011		
	Gross Cost	Accu. deprn.	Closing WDV	Gross cost	Accu. deprn.	Closing WDV
Tangible assets:						
Land	15.47	-	15.47	2.25	-	2.25
Office buildings	58.54	3.74	54.80	18.72	1.90	16.82
Plant and machinery	262.07	113.64	148.43	189.60	76.09	113.51
Furniture and fittings	17.56	8.06	9.50	12.92	4.10	8.82
Computers	20.69	7.97	12.72	12.63	4.63	8.00
Office equipments	38.60	9.80	28.80	17.41	3.64	13.77
Motor cars and jeeps	92.86	31.93	60.93	60.23	19.53	40.70
Vehicles	1,561.79	274.15	1,287.64	1,118.89	159.71	959.18
Temporary sheds	216.47	142.48	73.99	112.64	60.64	52.00
Total –A	**2284.05**	**591.77**	**1692.28**	**1545.29**	**330.24**	**1215.05**
Intangible assets:	-	-		-	-	
Powermech Brand	0.02	0.01	0.01	0.01	-	0.01
Computer Software	0.25	-	0.25	-	-	-
Total –B	**0.27**	**0.01**	**0.26**	0.01	-	0.01
Grand total (A+B)	**2,284.32**	**591.78**	**1,692.54**	**1,545.30**	**330.24**	**1,215.06**

B. Capital Work in Progress

(Rs. In Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Tangible Assets:					
Office buildings	0.60	-	28.28	0.86	28.27
Plant and machinery	6.64	-	0.40	5.65	2.73
Furniture and fittings		1.57	-	-	
Computers		-	-	-	
Office equipments	0.08	0.08	0.03	-	
Motor cars and jeeps	-	1.96	-	-	
Vehicles	26.97	3.44	-	-	
Temporary sheds	57.69	58.95	40.26	23.86	9.94
Total (a)	**91.98**	**66.00**	**68.97**	**30.37**	**40.94**
Intangible Assets:					
Computer Software	--	--	--	5.25	--
Total (b)	--	--	--	**5.25**	--

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Total Capital Work in Progress (a+b)	**91.98**	**66.00**	**68.97**	**35.62**	**40.94**

ANNEXURE – XXI : RESTATED SUMMARY STATEMENT OF INVESTMENTS

(Rs. in Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Non- Current:					
(a) (i) Trade – Quoted					
Investments in Equity instruments of					
Reliance Power Limited	0.007	0.007	0.007	0.007	0.007
(ii) Non Trade – Quoted					
(a) Investment in Equity Instruments					
of Assam Company Limited	0.011	0.011	0.011	0.011	0.011
(b) Investment in Mutual Funds					
-SBI Infrastructure Bonds	0.200	0.200	0.200	0.200	0.200
Total (i + ii)	0.218	0.218	0.218	0.218	0.218
Provision for diminution in value of Investments	0.016	0.063	0.070	0.058	0.024
Total Quoted Investments	0.202	0.155	0.148	0.160	0.194
(b) (i) Trade – Unquoted					
Investment in Subsidiary Company					
a) Power Mech Overseas Project FZE	-	-	1.916	1.916	1.916
b) Equity Shares of Hydro Magus Pvt Ltd	1.326	0.510	0.510	-	-
c) Equity Shares of Power Mech Industri Pvt Ltd	43.090	43.090	-	-	-
d) Preference Shares of Hydro Magus Pvt Ltd (Redeemable at the end of 5 years)	10.000	10.000	-	-	-
e) Preference Shares of Hydro Magus Pvt Ltd (Redemble on or before completion of 10 years)	13.849	-	-	-	-
Total Unquoted Investments	68.265	53.600	2.426	1.916	1.916
Total Non – current investments (a+b)	68.467	53.755	2.574	2.076	2.110
Aggregate amount of Quoted Investments – at Cost	0.218	0.218	0.218	0.218	0.218
Aggregate amount of Quoted Investments – at Market Price	0.238	0.155	0.148	0.160	0.194
Aggregate amount of Unquoted Investments	68.265	53.60	2.426	1.916	1.916
Aggregate Provision for diminution in value of Investments	0.016	0.063	0.070	0.058	0.024

ANNEXURE – XXII : RESTATED SUMMARY STATEMENT OF LOANS AND ADVANCES

(Rs. in Millions)

Particulars	Long-term loans and advances					Short-term loans and advances				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Unsecured, considered good										
Advances for capital goods	25.15	2.08	3.86	2.18	25.59	-	-	-	-	-
Advances to creditors against supplies		-	-	-	-	187.24	180.33	178.93	143.47	20.96
Advances to sub-contractors against works		-	-	-	-	1,088.77	814.03	284.66	189.56	19.12
EMD with customers	15.12	13.33	8.44	7.25	6.37	-	-	-	-	-
Prepaid expenses		-	-	-	-	21.63	19.54	14.69	12.89	11.36
Employee related advances		-	-	-	-	11.97	13.02	13.59	6.99	6.87
Security deposits with govt.authorities and others	36.61	25.64	19.44	15.47	9.84	-	-	-	-	-
Balances with statutory authorities:										
CENVAT credit receivable	-	-	-	-	-	29.52	10.04	14.03	21.96	31.79
Works contract tax (TDS)	-	-	-	-	-	53.78	69.23	42.74	27.01	17.15
Sales Tax Refund Receivable	-	-	-	-	-	5.45	3.49	2.28	-	-
Advance Income Tax and TDS	-	-	-	-	-	1,196.24	821.29	745.78	487.08	265.97
Others	-	-	-	-	-	3.98	3.66	2.12	4.76	1.99
ADVANCES TO PROMOTERS, KMP AND RELATIVES										
Advance given to S. Lakshmi (Relative of Key Management Personnel)	-	-	-	-	-	-	-	1.00	-	-
Total	**76.88**	**41.05**	**31.74**	**24.90**	**41.80**	**2,598.58**	**1,934.63**	**1,299.82**	**893.72**	**375.21**

Note: Works Contract Tax (TDS) represent works contract tax deducted by the customers under local sales tax laws and management is opinion that there is no sales tax liability in respect of works carried out and hence claimed as refund due from sales tax department.

ANNEXURE – XXIII : RESTATED SUMMARY STATEMENT OF OTHER ASSETS

(Rs. in Millions)

Particulars	**Other non-current assets**					**Other current assets**				
	As at March 31,					**As at March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**	**2015**	**2014**	**2013**	**2012**	**2011**
Unsecured, considered good										
Retention money and security deposit with customers	1,571.54	1,652.38	911.80	688.12	614.46	692.78	231.15	426.77	248.53	186.97
Mobilisation advances to sub-contracts Due from subsidiaries:	-	36.10	37.86	75.46	11.07	31.49	45.10	48.63	39.19	49.93
Power Mech Overseas Projects FZE (Sharjah)	-	-	-	-	-	-	-	22.92	3.60	0.51
Hydro Magus Pvt Ltd	-	-	-	-	-	4.80	12.77	2.43	-	-
Power Mech Industri Pvt Ltd	-	-	-	-	-	-	1.97	-	-	-
Advance to Saudi Arabian General Investment authority (Subsidiary company to be incorporated) Advance to Power Mech CPNED for expenses (A Joint venture company to be incorporated) Contract expenses in respect of projects to be executed	-	-	-	-	-	4.29 1.49 10.04	- -	- -	- -	- -
Uncertified revenue	-	-	-	-	-	1,646.07	1,314.69	590.10	9.30	-
IPO expenses to be written off	-	-	-	-	-	16.98	-	-	-	-
Total	**1,571.54**	**1,688.48**	**949.66**	**763.58**	**625.53**	**2,407.94**	**1,605.68**	**1,090.85**	**300.62**	**237.41**

Note:1 Uncertified revenue represents that portion of work which was completed but pending for certification by the customer as on date of Balance sheet which is recognized as revenue and included in contract receipts.

2 The bifurcation of RM/ SD with customers between current and non current is made based on the terms of contract, time schedule in the execution of work orders, fulfilment of conditions for release of RM/ SD and based on estimates and certified by the management.

ANNEXURE – XXIV : RESTATED SUMMARY STATEMENT OF INVENTORIES

(Rs. in Millions)

Particulars	As at March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Stores & Spares	301.50	229.95	192.49	109.32	69.21
Construction Work-in-progress	5.33	12.91	-	1.24	8.57
Total	**306.83**	**242.86**	**192.49**	**110.56**	**77.78**

ANNEXURE – XXV : RESTATED SUMMARY STATEMENT OF TRADE RECEIVABLES

(Rs. in Millions)

Particulars	As at March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Unsecured, Considered Good					
Outstanding for a period exceeding six months	341.25	102.54	77.54	1.46	-
Others	*1,600.44	1,379.41	1,664.43	1,474.25	732.07
Total	**1941.69**	**1,481.95**	**1,741.97**	**1,475.71**	**732.07**

Note: *The above receivables include an amount of Rs. 15.12 Millions, receivable from its subsidiary Company Hydro Magus Private Limited.

ANNEXURE - XXVI : RESTATED SUMMARY STATEMENT OF CASH AND CASH EQUIVALENTS

(Rs. in Millions)

Particulars	As at March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Cash in Hand	2.98	1.45	0.71	1.25	1.84
Cash Equivalents					
i. Balances with Banks					
a) Earmarked Balances with banks held as margin money against LC and guarantees	557.35	578.36	471.66	402.38	381.84
b) Earmarked balances with banks towards unclaimed dividends	0.17	0.05	0.12	0.04	-
c) In current accounts	109.86	107.46	93.28	16.52	39.87
Total	**670.36**	**687.32**	**565.77**	**420.19**	**423.55**

Note: None of the above fixed deposits had original maturity period of less than 3 months that meet the definition of Cash and Cash Equivalents as defined under AS – 3 “Cash Flow Statements.”

ANNEXURE - XXVII: RESTATED SUMMARY STATEMENT OF REVENUE

(Rs. in Millions)

Particulars	For the year ended March 31,			
	2015	2014	2013	2012
Contract receipts:				
Erection works	9,102.04	8,906.19	7,421.35	5,878.46
Operation and Maintenance	2,692.49	1,257.95	756.34	424.37
Civil works	1,749.26	1,659.45	1,071.03	697.23
Other Operating Revenue: Crane hire charges received	12.28	48.37	80.89	50.48
Total	**13,556.07**	**11,871.96**	**9,329.61**	**7,050.54**

ANNEXURE – XXVIII: RESTATED SUMMARY STATEMENT OF COST OF MATERIALS CONSUMED

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Opening Stock	229.95	192.49	109.32	69.21	39.12
Add: Purchases of electrodes, gases & other consumables	819.70	792.83	725.34	587.38	329.19
Less: Closing Stock	301.50	229.95	192.49	109.32	69.21
Total	**748.15**	**755.37**	**642.17**	**547.27**	**299.10**

ANNEXURE – XXIX: RESTATED SUMMARY STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Opening Work in Progress	12.91	-	1.24	8.57	8.53
Closing Work in Progress	5.33	12.91	-	1.24	8.57
Decrease / (Increase) in Work in Progress)	**7.58**	**(12.91)**	**1.24**	**7.33**	**(0.04)**

ANNEXURE - XXX : RESTATED SUMMARY STATEMENT OF CONTRACT EXECUTION EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Sub-contract expenses	8,900.50	7,789.22	6,238.96	4,377.18	3,207.70
Radiography charges	101.70	77.64	52.35	44.00	30.17
Equipment hire charges	191.86	82.94	72.21	36.58	27.71
Rent at Project sites	80.58	55.56	41.69	32.39	22.60
Power and fuel	48.63	57.77	39.09	30.66	24.53
Insurance	15.71	13.88	9.03	8.22	4.03
Vehicles movement and other freight expenses	102.39	60.07	68.01	73.86	38.88
Repairs and maintenance					
Plant and machinery	59.84	40.36	26.90	14.48	5.64
Others	23.09	11.98	12.48	9.83	7.26
Fuel and vehicle maintenance	201.18	168.61	136.28	150.43	71.35
Travelling expenses at projects	45.65	26.45	19.90	17.16	15.10
Total	**9,771.13**	**8,384.48**	**6,716.90**	**4,794.79**	**3,454.97**

ANNEXURE – XXXI : RESTATED SUMMARY STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Salaries and wages	877.10	838.96	472.88	343.49	254.97
Contribution to provident and other funds including gratuity	40.46	36.98	35.81	36.45	17.35
Staff welfare expenses	258.31	191.29	158.89	118.28	79.51
Total	**1175.87**	**1,067.23**	**667.58**	**498.22**	**351.83**

ANNEXURE – XXXII: RESTATED SUMMARY STATEMENT OF FINANCE COSTS

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Interest expense	245.10	190.72	123.21	90.09	62.44
Bank charges and BG commission	28.89	25.66	21.99	15.82	11.69
Loan Processing charges	11.85	9.45	6.01	4.78	6.34
Exchange fluctuations on deferred credit payment	6.56	37.65	16.52	19.50	0.88
Total	**292.40**	**263.48**	**167.73**	**130.19**	**81.35**

ANNEXURE – XXXIII : RESTATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Depreciation	362.94	324.60	333.16	262.70	144.42
Amortization	3.46	2.81	1.54	0.01	0.01
Total	**366.40**	**327.41**	**334.70**	**262.71**	**144.43**

Refer note given under accounting policies on depreciation regarding useful lives adopted by the company for computing depreciation.

ANNEXURE – XXXIV : RESTATED SUMMARY STATEMENT OF OTHER EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Rent – office	11.22	6.10	3.70	4.10	2.38
Director’s sitting fees	1.14	0.12	0.13	0.05	0.03
Donations	0.25	7.36	5.05	3.35	1.61
Payments to auditors:					
Towards Statutory audit	1.00	0.85	0.68	0.48	0.35
Towards tax audit and taxation matters	0.10	0.10	0.08	0.03	0.03
Rates and taxes	63.66	33.44	14.26	12.85	7.63
Miscellaneous expenses (Details below)	118.01	81.38	67.71	47.52	35.11
CSR Expenses	5.70	-	-	-	-
Loss on sale of assets	0.20	0.23	-	0.05	-
Irrecoverable advances written off	-	4.06	-	-	-
Provision for diminution in value of investments	-	-	0.01	0.03	0.01
Total	**201.28**	**133.64**	**91.62**	**68.46**	**47.15**

Break-up for Miscellaneous Expenses:

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Internal audit fee	1.25	1.06	0.80	0.63	0.40
Business promotion expenses	1.06	1.37	0.81	2.38	1.34
Professional charges	4.16	4.85	1.83	0.15	0.50
ROC filing fees	0.15	0.02	0.03	0.06	0.11
Travelling and conveyance	38.26	25.83	24.90	15.18	9.70
Electrical maintenance	0.19	0.39	0.66	0.75	0.24
Consultancy charges	12.62	3.30	3.06	2.20	3.98
Advertisement	0.39	1.18	1.73	0.49	0.18

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Tender Expenses	1.28	0.40	0.56	0.28	0.31
Books and Periodicals	0.21	0.13	0.31	0.10	0.06
Cars maintenance	1.16	1.44	3.73	2.61	1.85
Sundry expenses	11.37	4.47	0.24	0.45	0.25
Postage and Telegram	5.42	7.38	4.24	1.49	0.76
Printing and Stationery	10.82	8.29	7.28	6.82	5.32
Telephone and fax	29.67	21.32	17.53	13.93	10.11
Total	**118.01**	**81.38**	**67.71**	**47.52**	**35.11**

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS AS REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013 READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

To,
The Board of Directors
Power Mech Projects Limited
Plot No.77, Jubliee Enclave,
Madhapur,
Hyderabad – 500 081.

Dear Sirs,

1. We have examined the attached Restated Consolidated financial Statements of Power Mech Projects Limited, (" the Company") and its subsidiary companies as at 31st March, 2015, 31st March, 2014, 31st March, 2013, 31st March, 2012 and 31st March, 2011 and for the year ended 31st March, 2015, 31st March, 2014, 31st March, 2013, 31st March, 2012 and 31st March, 2011 ("the restated Consolidated Financial Statements") as approved by the Board of Directors of the Company at their meeting held on 7th July, 2015 for the purpose of inclusion in the offer document prepared by the company in connection with its proposed Initial Public Offer (IPO) prepared in terms of the requirements of

    c) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules) and

    d) the Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of the provisions of Securities and Exchange Board of India Act, 1992 ("SEBI-ICDR Regulations").

2. We have examined such Restated Consolidated financial information taking into consideration

    c) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 26th June, 2014 in connection with the proposed further Initial Public Offer of the Company and

    d) The Guidance Note (Revised) on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an IPO for the fresh issue and offer for sale of equity shares of Rs.10/- each at such premium arrived at by the 100% book building process as may be decided by the board of directors.

4. These Restated Consolidated Financial Statements have been prepared by the Management from the audited Consolidated Financial Statements for the financial years ended March 31 2011, 2012, 2013 2014 and 2015 which have been approved by Board of directors in their board meeting held on 7th July, 2015 and have been audited by us except in case of subsidiary company Power Mech Projects Overseas (FZE) which was audited by other auditor.

5. We did not audit the financial statements of the subsidiary company Power Mech Projects Overseas (FZE) for the financial years ended March 31 2011, 2012, 2013 and 2014 which was done by Al Needa Auditors & Accountants, Sharjah (UAE) whose Financial Statements reflect total assets of AED 188488 as on 31.3.2011, AED 433488 as on 31.3.2012, AED 2617304 as on 31.3.2013 and AED Nil as on 31.3.2014 and total profit/(Loss) of AED Nil for the year ended 31.3.2011, AED Nil for the year ended 31.3.2012, AED 710111 for the year ended 31.3.2013 and AED (240945) for the year ended 31.3.2014. However the said subsidiary company was liquidated during the financial year 2013-14.

6. The consolidated financial information for the above period was examined to the extent applicable for the purpose of audit of financial information in accordance with the engagement standards issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform our audit to obtain reasonable

assurance whether the consolidated financial information under examination is free of material misstatement.

Based on our examination, we report that in our opinion and according to the information and explanations given to us, we have found the same to be correct and the same have been used in the Restated Consolidated Financial Statements appropriately.

7. Based on our examination, we further report that :

    e) The Summary Statement of Restated Consolidated Assets and Liabilities of the Company and its subsidiaries as at 31.03.2011, 2012, 2013, 2014 and 2015 examined by us, as set out in Annexure-I to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes and Changes in Significant Accounting Policies, as set out in Annexure-IV.

    f) The Summary Statement of Restated Consolidated Profit or Loss of the Company and its subsidiaries for the year than ended 31.03.2011, 2012, 2013, 2014 and 2015 examined by us, as set out in Annexure-II to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes and Changes in Significant Accounting Policies, as set out in Annexure-IV.

    g) The Summary Statement of Restated Consolidated Cash Flows of the Company and its subsidiaries for the year ended 31.03.2011, 2012, 2013, 2014 and 2015 examined by us, as set out in Annexure-III to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Note and Changes in Significant Accounting Policies, as set out in Annexure-IV.

    h) Based on the above, according to the information and explanations given to us, we are of opinion that the Restated Consolidated Financial Statements have been made after incorporating:

        (iv) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.

        (v) Further, there are no extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

        (vi) There were no qualifications in the Auditors' report for the relevant reporting periods except for observations made on the matters specified to be annexed to the Companies (Auditors' Report) Order, 2003 and 2015.

8. We have also examined the Restated Consolidated Financial Statements set out in the Annexures prepared by the management and approved by the Board of directors of the Company for the years ended 31.03.2011, 2012, 2013, 2014 and 2015.

    (i) Statement of Other Income - Annexure V.
    (ii) Statement of Related Party Transactions – Annexure VI.
    (iii) Statement of Contingent Liabilities and guarantees- Annexure VII.
    (iv) Statement of Dividend Declared - Annexure VIII.
    (v) Statement of Capitalization as at 31.3.2015 - Annexure IX.
    (vi) Statement of Accounting Ratios - Annexure X.
    (vii) Statement of Tax Shelter - Annexure XI.
    (viii) Statement of Changes in Share Capital – Annexure XII.
    (ix) Statement of Reserves and Surplus – Annexure XIII.
    (x) Statement of Long Term Borrowings – Annexure XIV.
    (xi) Statement of Components of Deferred Tax – Annexure XV.
    (xii) Statement of Other liabilities –Annexure XVI
    (xiii) Statement of Provisions – Annexure XVII
    (xiv) Statement of Short term borrowings- Annexure XVIII

(xv) Statement of Trade payables – Annexure XIX
(xvi) Statement of Fixed assets – Annexure XX
(xvii) Statement of Investments – Annexure XXI.
(xviii) Statement of Loans and Advances – Annexure XXII .
(xix) Statement of Other Assets – Annexure XXIII
(xx) Statement of Inventory – Annexure XXIV.
(xxi) Statement of Trade Receivables - Annexure XXV
(xxii) Statement of Cash and cash equivalents – Annexure XXVI
(xxiii) Statement of Revenue – Annexure XXVII
(xxiv) Statement of Materials consumed – Annexure XXVIII
(xxv) Statement of Changes in Inventories – Annexure XXIX.
(xxvi) Statement of Contract execution Expenses - Annexure XXX.
(xxvii) Statement of Employee Benefit Expenses – Annexure XXXI.
(xxviii) Statement of Finance costs – Annexure XXXII.
(xxix) Statement of Depreciation and Amortization Expenses – Annexure XXXIII.
(xxx) Statement of Other expenses – Annexure XXXIV.

9. In our opinion the financial information contained in Annexure I to XXXIV of this report read along with the Significant Accounting Policies, Notes and Changes in Significant Accounting Policies (Refer Annexure) prepared after making adjustments and regrouping as considered appropriate have been prepared in accordance with Part IIB of Schedule II of the Companies Act, 1956 read with Section 26(1)(b) under Chapter III of Companies Act, 2013 and the SEBI-ICDR Regulations.

10. This report should not in any way be construed as a reissuance or redating of any of the previous audit reports issued by us nor should this be construed as a new opinion on any of the financial statements referred to herein.

11. We did not perform audit tests for the purpose of expressing an opinion on individual balances of summaries of selected transactions, and accordingly we express no such opinion thereon.

12. We have no responsibility to update our report for events and circumstances occurring after the date of report.

13. Our report is intended solely for use of the management and for inclusion in the offer document in connection the proposed issue of equity shares of the Company. Our report should not be used for any other purpose except with our consent in writing.

For Brahmayya & Co
Chartered Accountants
Firm Registration No : 000513S

(Karumanchi Rajaj)
Partner
Membership No. 202309
Place: Camp: Hyderabad
Date:7.7.2015

ANNEXURE – I : STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(Rs. in Millions)

	Particulars	Annexure No.	As at March 31,				
			2015	2014	2013	2012	2011
I	**Equity and Liabilities**						
A	**Shareholders' funds**						
	Share Capital	XII					
	Equity Share Capital		125.83	109.40	107.53	107.53	107.53
	Reserves and Surplus	XIII					
	Securities premium account		364.18	268.10	232.47	232.47	232.47
	General reserve		145.38	145.38	110.38	90.63	69.90
	Surplus in Profit and Loss account		2,911.78	2,213.19	1,592.80	1,113.72	622.12
			3547.17	2736.07	2043.18	1544.35	1032.02
	Minority Interest		2.49	1.53	0.49	-	-
	Sub-total (a)		**3,549.66**	**2,737.60**	**2,043.67**	**1,544.35**	**1,032.02**
B	**Non-current Liabilities**						
	Long-term borrowings	XIV	365.75	274.19	280.40	575.05	460.92
	Deferred tax liability	XV	47.21	78.37	68.06	65.15	49.39
	Other long-term liabilities	XVI	641.26	936.04	829.01	866.49	539.27
	Long Term Provisions	XVII	1.92	-	-	-	-
	Sub-total (b)		**1,056.14**	**1,288.60**	**1,177.47**	**1,506.69**	**1,049.58**
C	**Current liabilities**						
	Short term borrowings	XVIII	1,997.41	1,393.99	871.64	314.26	93.02
	Trade payables	XIX	2,221.46	1,876.23	1,460.85	677.90	495.16
	Other current liabilities	XVI	1,579.93	1,368.19	1,334.12	1,157.94	820.09
	Short term provisions	XVII	1,273.84	895.34	765.65	519.00	281.49
	Sub-total (c)		**7,072.64**	**5,533.75**	**4,432.26**	**2,669.10**	**1,689.76**
	Total ((a)+(b)+(c))		**11,678.44**	**9,559.95**	**7,653.40**	**5,720.14**	**3,771.36**
II	**Assets**						
A	**Non-current assets**						
	Fixed assets	XX					
	Tangible assets		1,798.37	1,744.92	1,687.02	1,696.42	1,215.05
	Intangible assets		33.77	35.71	11.99	0.26	0.01
	Capital work in progress		162.99	67.75	69.43	35.62	40.94
	Unallocated Capital expenditure		7.34	0.10	2.84	-	-
	Non-current investments	XXI	0.20	0.16	0.15	0.16	0.19
	Long term loans and advances	XXII	77.13	42.13	31.76	24.90	41.80
	Other non-current assets	XXIII	1,566.10	1,688.50	949.66	763.58	625.53
	Sub-total (d)		**3,645.90**	**3,579.27**	**2,752.85**	**2,520.94**	**1,923.52**

ANNEXURE I - STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(Rs. in Millions)

	Particulars	Annexure No	As at March 31,				
			2015	2014	2013	2012	2011
B	**Current assets**						
	Current investments		-	-	-	-	-
	Inventories	XXIV	320.92	242.99	192.49	110.56	77.78
	Trade receivables	XXV	1,953.65	1,492.44	1,770.26	1,475.71	732.07
	Cash and bank balances	XXVI	678.29	688.42	567.22	420.42	425.47
	Short term loans and advances	XXII	2,613.07	1,941.97	1,303.53	893.71	375.20
	Other current assets	XXIII	2,466.61	1,614.86	1,067.05	298.80	237.32
	Sub-total (e)		**8,032.54**	**5,980.68**	**4,900.55**	**3,199.20**	**1,847.84**
	Total Assets ((d)+(e))		**11,678.44**	**9,559.95**	**7,653.40**	**5,720.14**	**3,771.36**

Note 1: The above statement should be read in conjunction with the significant accounting policies and notes on adjustments for Restated Summary Statements in Annexure IV.

2: The previous year figures have been regrouped wherever necessary.

As per our report of even date

For BRAHMAYYA &CO..

Chartered Accountants

For and on behalf of the Board of Directors of
Power Mech Projects Limited

Karumanchi Rajaj

Partner
Membership No 202309
Place: Camp: Hyderabad
Date: 07.07.2015

S.Kishore Babu
Chairman and
Managing Director

Rakesh Sony
Director

J Satish
CFO

Mohit Gurjar
Company Secretary

ANNEXURE – II : STATEMENT OF RESTATED CONSOLIDATED PROFIT AND LOSS ACCOUNT

(Rs. in Millions)

	Particulars	Annexure No	For the year ended March 31,				
			2015	**2014**	**2013**	**2012**	**2011**
A	**INCOME**						
	Revenue from operations	XXVII	13,662.23	12,002.71	9,357.95	7,050.54	4,918.14
	Other income	V	57.61	108.12	46.17	40.80	26.04
	Sub-total		**13,719.84**	**12,110.83**	**9,404.12**	**7,091.34**	**4,944.18**
B	**EXPENDITURE**						
	Cost of materials consumed	XXVIII	770.04	790.15	646.77	547.27	299.10
	Change in inventories of Finished goods, Work- in- progress and Stock-in-trade	XXIX	7.58	(12.91)	1.24	7.33	(0.05)
	Contract execution expenses	XXX	9,800.15	8,434.09	6,722.92	4,794.79	3,454.98
	Employee benefit expenses	XXXI	1,201.76	1,091.89	668.31	498.22	351.83
	Finance costs	XXXII	294.30	266.14	167.92	130.20	81.36
	Depreciation and amortization	XXXIII	367.78	328.43	335.77	386.35	242.49
	Other expenses	XXXIV	212.69	145.74	96.84	68.46	47.15
	Sub-total		**12,654.30**	**11,043.53**	**8,639.77**	**6,432.62**	**4,476.86**
C	**Profit before tax and extra ordinary items as per audited financial statements (A-B)**		**1,065.54**	**1,067.30**	**764.35**	**658.72**	**467.32**
	Add/ Less : Extra ordinary Items		--	--	--	--	--
D	**Profit after extra ordinary items and before tax as per audited financial statements**		**1,065.54**	**1,067.30**	**764.35**	**658.72**	**467.32**
	Add: Adjustments on account of changes in accounting policies Increase in Profit (**Refer Note 2(a) of Annexure IV**)		-	-	-	123.64	98.06
E	**Profit before tax as restated**		**1,065.54**	**1,067.30**	**764.35**	**782.36**	**565.38**
F	**Tax expense**						
	As Per audited financial statements						
	Current tax		380.95	376.83	249.78	242.50	164.37
	Deferred tax expense/(Credit)		(31.16)	10.31	2.91	(24.35)	(6.94)
	Taxation of earlier periods		-	(1.83)	-	-	-
	Sub-total		**349.79**	**385.31**	**252.69**	**218.15**	**157.43**
	Restatement tax adjustments						
	Increase in tax expense – Deferred tax						
	Tax impact on restatement adjustments		-	-	-	40.11	31.81
	(Refer Note 2(a) of Annexure IV)						
	Total tax expense as restated		**349.79**	**385.31**	**252.69**	**258.26**	**189.24**
G	**Profit after tax as restated before adjusting for Minority Interest(E-F)**		**715.75**	**681.99**	**511.66**	**524.10**	**376.14**
	Less: Adjustment for Minority Interest		1.71	1.04	--	--	--
	Profit after tax as restated after adjusting for Minority Interest		**714.04**	**680.95**	**511.66**	**524.10**	**376.14**

Note:1. The above statement should be read in conjunction with the significant accounting policies and notes on adjustments for Restated Summary Statements in Annexure IV.

2: The previous year figures have been regrouped wherever necessary.

As per our report of even date

For BRAHMAYYA &CO..

Chartered Accountants

For and on behalf of the Board of Directors of
Power Mech Projects Limited

Karumanchi Rajaj

Partner

Membership No 202309

Place: Camp: Hyderabad

Date: 07.07.2015

S.Kishore Babu
Chairman and
Managing Director

Rakesh Sony
Director

J Satish
CFO

Mohit Gurjar
Company Secretary

ANNEXURE – III : STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(Rs. in Millions)

	Particulars	For the year ended March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
A	**Cash flow from operating activities**					
	Profit before tax as Restated	**1,065.54**	**1,067.30**	**764.35**	**782.36**	**565.38**
	Adjustments for:					
	Depreciation and amortization	367.78	328.43	335.77	262.71	144.43
	Interest expense	294.29	266.14	167.92	130.20	81.36
	Interest income	(54.13)	(57.21)	(42.23)	(40.17)	(24.40)
	Provision for diminution in investments	(0.05)	-	0.01	0.03	0.01
	(Profit)/Loss on disposal of fixed assets	(0.31)	(0.99)	(3.91)	(0.03)	(0.27)
	Dividend income	-	(7.66)	-	-	-
	Restated operating profit before working capital changes	**1,673.12**	**1,596.01**	**1,221.91**	**1,135.10**	**766.51**
	Movements in working capital:					
	(Increase) / decrease in Inventories	(77.92)	(50.50)	(81.93)	(32.78)	(30.14)
	Increase in Trade and Other Receivables	(1,520.04)	(1,581.25)	(1,406.87)	(1,223.32)	(872.53)
	Increase in current liabilities	340.04	635.43	706.25	762.64	701.80
		415.20	**599.69**	**439.36**	**641.64**	**565.64**
	Less: Direct taxes paid	376.62	332.17	258.70	221.11	50.00
	Net cash generated from operating activities (A)	**38.58**	**267.52**	**180.66**	**420.53**	**515.64**

ANNEXURE – III : STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(Rs. in Millions)

	Particulars	For the year ended March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
B	**Cash flow from investing activities**					
	Purchase of fixed assets (including capital work in progress)	(524.98)	(374.35)	(388.48)	(741.12)	(607.21)
	Realisation on Sale of fixed assets	3.58	7.85	17.63	2.12	0.70
	Bank deposits to the extent not considered as cash and cash equivalent	15.63	(106.69)	(69.29)	(20.53)	(118.26)
	Invesment in Subsidary Company (Acquired from Others)	(0.82)	-	-	-	-
	Repatriation of Distributable profits	-	(7.66)	-	-	-
	Dividend income	-	7.66	-	-	-
	Interest income	54.13	57.21	42.23	40.17	24.40
	Net cash used in investing activities (B)	**(452.46)**	**(415.98)**	**(397.91)**	**(719.36)**	**(700.37)**
C	**Cash flow from financing activities**					
	Interest paid	(287.73)	(226.63)	(151.38)	(110.69)	(80.47)
	Dividend and Dividend tax paid	(17.90)	(12.58)	(12.50)	(21.08)	(24.46)
	Proceeds from borrowings	725.01	402.18	458.64	405.03	263.29
	Net cash generated from financing activities (C)	**419.38**	**162.97**	**294.76**	**273.26**	**158.36**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**5.50**	**14.51**	**77.51**	**(25.57)**	**(26.37)**
	Cash and cash equivalents at the beginning of the year	110.06	95.55	18.04	43.61	69.98
	Cash and cash equivalents at the end of the year	**115.56**	**110.06**	**95.55**	**18.04**	**43.61**

ANNEXURE – III : STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(Rs. in Millions)

	Particulars	**For the year ended March 31,**				
		2015	**2014**	**2013**	**2012**	**2011**
	Composition of cash and cash equivalents:					
	Cash on hand	3.06	1.53	2.05	1.25	1.84
	Balance with banks					
	On Current accounts	112.33	108348	93.38	16.75	41.77
	On Deposit accounts	0.17	0.05	0.12	0.04	-
	Total	**115.56**	**110.06**	**95.55**	**18.04**	**43.61**

Note 1: The above statement should be read in conjunction with the significant accounting policies and notes on adjustments for Restated Summary Statements in Annexure IV.

Note 2: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on "Cash Flow Statements" notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended).

As per our report on even date

For BRAHMAYYA &CO..

Chartered Accountants

For and on behalf of the Board of Directors of
Power Mech Projects Limited

Karumanchi Rajaj

Partner

Membership No 202309

Place: Camp: Hyderabad

Date: 07.07.2015

S.Kishore Babu
Chairman and
Managing Director

Rakesh Sony
Director

J Satish
CFO

Mohit Gurjar
Company Secretary

ANNEXURE - IV: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ADJUSTMENTS FOR RESTATED CONSOLIDATED SUMMARY STATEMENT

CORPORATE INFORMATION

Power Mech Projects Limited was incorporated in the year 1999 and is engaged in the business of providing ETC, Civil and O&M Services for Power Projects. The Company has associated with various power majors in India and overseas for public and private sector power utilities apart from multinational companies. Power Mech is now engaged in several power projects ranging from 135MW to 800MW, besides many projects in lower segments also.

The subsidiary company, Hydro Magus Private Limited is incorporated in the year 2012. The company is setup with a vision to support the Hydro utility owners in a professional manner to enhance the generation output and viability factor of their power plants by implementing Reliability-centric- Maintenance programs on their Hydro generating units in a cost effective way. The company also envisages achieving this vision of generation enhancement by undertaking renovation, modernization and uprating of old generating sets based upon the recommendations of life extension and uprating studies.

Power Mech Industri Private Limited was incorporated in the year 2006 and became subsidiary company to Power Mech Projects Limited in the year 2013-14. On acquisition by Power Mech Projects Limited, the company is involved in the manufacture of all types of machinery parts, equipments, development and construction of industrial sheds and overhaul and Maintenance pertaining to all industrial units. The company has not commenced its commercial operations during the financial year 2014-15 and till date.

Power Mech Overseas Projects FZE, SAIF Zone, Sharjah, UAE was incorporated as 100% subsidiary company on May 26, 2010 as a Free Zone Establishment and operates in UAE under a service licence issued by SAIF Zone Authority, Government of Sharjah. The principal activity of the establishment is providing business consultancy services. However, it was liquidated on 9.12.2013 and all the assets and liabilities were settled and investment in the said company was repatriated to the parent company.

BACKGROUND:

The Restated Summary Statement of Assets and Liabilities of the Group as at March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and the related Restated Summary Statement of Profits and Losses and Cash Flows of the Group for financial year ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (hereinafter collectively referred to as "Restated Summary Statements") have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards under provisions of Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous years, except for the change in accounting policy explained in para 2 below. The Restated Financial Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering of the Company.

BASIS OF ACCOUNTING:

The Financial Statements of the company and its Indian subsidiary companies are prepared under the historical cost convention on accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The financial statements are prepared to comply in all material aspects with the applicable Accounting Standards and the relevant provisions thereof. The financial statements of the company and its subsidiary companies are drawn up to the same reporting date i.e of 31st March.

In case of foreign subsidiary, Power Mech Overseas Projects, FZE the financial statements are prepared in accordance with the International Financial reporting Standards issued by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB and applicable requirements of UAE laws.

PRINCIPLES OF CONSOLIDATION

i) The Consolidated Financial Statements relate to Power Mech Projects Limited ("the Company") and its Subsidiary Companies Hydro Magus Private Limited (Subsidiary from the financial year 2012-13), Power Mech Industri

Private Limited (became subsidiary during the financial year 2013-14) and Power Mech Overseas Projects FZE (Subsidiary from the financial year 2010-11 and Winding up during the financial year 2013-14). The Consolidated Financial Statements have been prepared on the following basis:-

- The Financial Statements of the Company and its Subsidiary Companies (collectively referred to as "Group") have been Consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits or losses in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" as notified by the Central Government under Companies (Accounting Standards) Rules, 2006.

- The Consolidated Financial Statements have been prepared using uniform accounting policies, for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements.

- The investments in equity shares of subsidiary companies have been fully eliminated from the share capital of subsidiary companies and investments in parent company.

- The excess of cost to the company of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the date on which investment was made is recognized as "Goodwill" being an asset in the Consolidated financial statements. Alternatively, where the share of equity in subsidiary companies as on date of investment is in excess of cost of investment, it is recognized as "Capital Reserve" and shown under the head "Reserves and Surplus" in the consolidated financial statements.

- Minority interest, if any, in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary companies and share in Reserves and surplus.

- Minority interests' share of net profit of the consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company.

- Minority interests' share of net assets of the consolidated subsidiaries as on date of balance sheet is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

- **FOREIGN EXCHANGE TRANSLATIONS**

  For the purpose of preparation of Consolidated Financial Statements, assets and liabilities (other than fixed assets) of Overseas Subsidiary have been translated at the rate of exchange prevailing on the date of balance sheet of the foreign Subsidiary Company and all items of the profit and loss accounts have been translated at average monthly Exchange Rates and the resultant exchange differences are accumulated in foreign currency translation reserve until the disposal of investment.

  i) The Subsidiary Companies considered in the Consolidated Financial Statements are**:**

Name Of the Company	Relationship	Country of Incorporation	% Share Holding held as on 31.3.2015
Hydro Magus Private Limited	Subsidiary	India (w.e.f 2012-13)	75%
Power Mech Industri Private Limited	100% Subsidiary	India (w.e.f 2013-14)	100%
Power Mech Overseas Projects Ltd FZE	100% Subsidiary	Dubai (w.e.f 2010-11 but winding up during the year 2013-14)	-

ii) The reporting date of Financial Statements of all subsidiary companies was March, 31.

- The parent company Power Mech Projects Limited invested in Nos.51000 Equity shares of Rs.10/- each during the financial year 2012-13 and in Nos. 24000 Equity Shares of Rs.10/- each during the financial year 2014-15 in Hydro Magus Private Limited aggregating to Rs.1.32Mn being 75% of holding in the said company. The shares of Nos.24000 were acquired from the promoter directors of Power Mech Projects Limited at a premium of Rs.24/- each.
- The parent company Power Mech Projects Limited invested in Nos.18937 Equity shares of Rs.10/- each in Power Mech Industri Private Limited at a premium of Rs.2265 each aggregating to Rs.43.09 Mn during the financial year 2013-14.
- The parent company Power Mech Projects Limited invested in No.1 Share of AED 150000 each in Power Mech Overseas Projects FZE, in the financial year 2010-11, a company incorporated in Sharjah. However, the said company closed its operations in the financial year 2013-14 and repatriated the investment along with surplus to its parent company Power Mech Projects Limited.No significant transactions had been carried out by Power Mech Overseas projects FZE, during its period of existence.

1) Significant Accounting Policies

a. <u>Basis of preparation of financial statements</u>

The Company and its subsidiaries has prepared the financial statements under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles in India.

However in case of Power Mech Overseas projects FZE, incorporated in Sharjah, UAE, the financial statements are prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), interpretations issued by the international Financial Reporting interpretations Committee ("IFRIC") of the IASB and applicable requirements of the UAE laws. The Significant accounting policies are adopted and applied consistently in dealing with items that are considered material in relation to these financial statements. However adoption of said Accounting policies and Accounting standards does not have any material effect on preparation of consolidated restated financial statements.

In case of Parent company and other Indian subsidiary companies, the financial statements are prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

The accounting policies have been consistently applied by the Company and its subsidiaries and are consistent across all the years presented.

During the year 2012-13, w.e.f 01.04.2012, the parent company (Power Mech Projects Limited) has changed its method of computing depreciation on its fixed assets from Written down value method to Straight-line method using the rates arrived at based on useful lives of fixed assets. In the opinion of the management, the change is considered preferable because arriving of depreciation under Straight-line method will more accurately reflect the pattern of usage of its fixed assets and the expected benefits flow from their usage over its life resulting more appropriate presentation of financial statements. Consequently, the book value of assets for all the years presented have been depreciated under Straight-line method retrospectively from the date of asset coming into use at a rate based on its estimated useful life as determined by the management.

b. <u>Use of estimates</u>

The preparation of financial statements requires the management of the group companies to make judgments, estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities and commitments. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Examples of such estimates includes computation of physical proportion of work completed to the total quantum of contract work order, provisions required for doubtful debts and advances, future obligation under employee retirement benefit plans, bifurcation of assets and liabilities into current and non-current and useful lives of tangible and intangible fixed assets. The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an ongoing basis. However, future results could differ from these estimates. Any revision to these accounting estimates is recognized prospectively in the current and future periods.

c. Tangible fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, the cost of installation/erection and other incidental expenses incurred to bring the asset to its present location and condition but exclusive of duties and taxes that are subsequently recoverable from taxing authorities.

Capital Work-in-progress are stated at the amount expended up to the date of balance sheet.

d. Intangible assets

Intangible assets are recorded at the consideration paid for acquisition of such asset and stated at cost less accumulated amortisation and impairment.

e. Depreciation and Amortization

The depreciation on tangible assets is provided under the Straight-line method over the useful lives of the assets estimated by the management of parent company during the financial year 2012-13 which are different from the useful lives as prescribed in schedule –II of the Companies Act, 2013 which becomes effective from 1.4.2014. The management based on internal assessment and independent technical evaluation carried out by external valuers, believes that the useful lives given below best represent the period over which the management expects to use these assets. Such estimation is made based on the past experience and working conditions in which assets are put to usage.

The management estimates the useful lives for the fixed assets as follows.

Name of the Asset	Estimated Useful life in years
Office buildings	20
Plant and machinery	5
Furniture and fixtures	5
Computers	4
Office equipments	5
Vehicles	5
Cranes	12.5
Mobile Phones	1

Individual assets costing up to Rs. 5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during a year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be.

Intangible assets, comprising of expenditure on computer software, incurred are amortised on a straight line method over a period of five years.

The subsidiary companies also adopted the same useful lives in computing the depreciation on their fixed assets.

f. Impairment of Assets

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g. Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

h. Investments

Non-current investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of long term investments is made only when such decline is other than temporary.

i. Inventories

Stores and consumables are valued at lower of cost or Net realizable value.

Contracts in progress and not due for billing to the customer as on date of balance sheet are valued at agreed contract price.

Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilization expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of AS-7.

j. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

The company undertakes erection, civil and Maintenance contracts and revenue from these contracts is recognized by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work to the extent of work certified by the customer. The portion of the work which was completed, but pending for certification by the customer, is also recognized as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognized as revenue only when the customer accepts the same. Provision for expected loss is recognized immediately when it is probable that the total estimated cost will exceed total contract revenue.

The contracts receipts are exclusive of service tax.

Revenue from sale of products is recognised when the risks and rewards of ownership are transferred to the buyer under the terms of the contract usually on the dispatch of goods to the customer.

Interest on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest when no significant uncertainty as to measurability or collectability exists. Revenue from sale of assets are recognised upon delivery, which is when title passes to the customer.

Dividend income is accounted for in the year in which the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

k. Employee Benefits

iii) Defined Contribution Plans

Company's contribution to Employees Provident Fund and Employees State Insurance are made under a defined contribution plan, and are accounted for at actual cost in the year of accrual.

iv) Defined Benefit Plans

Company's liability to Gratuity on retirement of its eligible employees is funded and is being administrated by the Life Insurance Corporation of India Limited. Cost of providing these benefits is determined on the basis of actuarial valuation at the end of each year and the incremental expense thereon is recognised and charged to Profit and Loss Account in the year in which the employee has rendered service.

For the period from 1.4.2014, the employees of the parent company are entitled to leave encashment which are both accumulating and non-accumulating in nature. The liability towards accumulated leave encashment, which are to be encashable only at the time of retirement, death while in service or on termination of employment, is determined by actuarial valuation using projected unit credit method.

The liability towards non-accumulated leave encashment over and above accumulated leaves, being short term employee benefit and eligible to encash after the end of each financial year, is provided based on actual liability computed at the end of each year.

Gains / Losses arrived at in the above actuarial valuations are charged to Profit and Loss Account.

l. Foreign Currency Transactions

i) The reporting currency of the Parent company and its two Indian subsidiary companies is Indian Rupees

ii) Transactions in foreign currency are initially recorded in the reporting currency at the exchange rate prevailing on the date of transaction, and charged or credited to revenue with the difference in rate of exchange arising on actual receipt/payment during the year.

iii) At each Balance Sheet date

- Foreign currency monetary items are reported using the rate of exchange on that date.

- Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.

t. Income-Taxes

Income tax expense comprises current and deferred taxes.

- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

- Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by each balance sheet date.

u. Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

v. Dividends

Provision for dividends payable (including income tax thereon) is accounted in the books of account as proposed by the Directors, pending approval of shareholders at the Annual General Meeting

w. Earnings per share

Earnings per share is calculated by dividing the net profit or loss after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. If the number of equity shares outstanding increases as a result of bonus issue, the above calculations are adjusted for the previous year figures also.

x. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

y. Cash and Cash Equivalents:

Cash and Cash Equivalent for the purpose of the Cash flow statement comprise of Cash on hand and balances with banks in current accounts and fixed deposits having a short maturity period of less than 3 months.

z. Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing and financing activities. The cash flows are segregated into Operating, investing and financing activities.

2) Notes to Restated Summary Statements

a. Accounting for depreciation and amortisation:-

Till the year ended March 31, 2012 the parent Company (Power Mech Projects Limited) has accounted for depreciation and amortisation on fixed assets as per written down value method at the rates mentioned as per the Schedule XIV of the Companies Act, 1956. During the financial year 2012-13, the Company has changed the method of accounting for depreciation and amortisation to straight-line method by applying the rates based on estimated useful life of the assets. For the purpose of restating the Audited Financial Statements, the depreciation has been recomputed retrospectively in accordance with Accounting Standard-6 'Depreciation Accounting' and the resultant excess depreciation of Rs.110.78Mn which was hitherto charged to the Profit and Loss account under the written-down value method till financial year ended 31 March 2010 was credited to the opening balance of surplus in P&L account as on April 1, 2010 and corresponding deferred tax of Rs.35.94Mn was debited to the opening balance of surplus in P&L account as on April 1, 2010. Further, restatement adjustments have been made to the Audited Financial Statements wherein the resultant excess depreciation of Rs.221.70Mn for the years 2010-11 and 2011-12 has been credited and the corresponding deferred tax impact of Rs.71.92Mn has been debited to the Restated Statement of Consolidated Profit and Loss account for the financial years 2010-11 and 2011-12.

b. The figures have been re-grouped / re-classified wherever necessary.

c. Non adjusting items

There are no qualifications in the Auditors' report for the Company or the subsidiary companies.

The statement on matters specified in the Companies (Auditors' Report) Order, 2015 for the financial year 2014-15 and Companies (Auditors' Report) Order, 2003, annexed to the auditors' report on the audited financial statements of the Company are as follows:

For the year ended March 31, 2015:

According to the information furnished to us, the parent company and one of its subsidiary Hydro Magus made delays in remittance of TDS and service tax but is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Value added tax, Wealth tax, Customs duty, Excise duty, Cess and any other statutory dues applicable to it. There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.

Discharge of statutory dues:

According to the information and explanations furnished to us, the following amounts of Value added tax, Entry tax and Service tax have been disputed by the parent company, and hence were not remitted to the authorities concerned at the date of the Balance Sheet under report.

Name of the Statute	Nature of Dues	Amount Rs. (net of amounts paid under protest)	Period to which it relates	Forum where dispute is pending
VAT Acts of various states	VAT/Entry tax	2,58,848	2010-11	ADCC, Bhopal
		8,74,293	2010-11	- Do –
		3,83,61,183	2011-12	West Bengal Commercial taxes appellate authority
		1,91,10,463	2012-13	Commissioner of Commercial taxes, Jharkhand
Service tax under Finance Act 1994	Service tax	4,28,09,308	2007-08	CESTAT, Bengaluru

For the year ended March 31, 2014:

According to the information furnished and records produced before us, the parent company made considerable delays in remittance of Service tax, TDS and PF but is regular in depositing the undisputed statutory dues including Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Customs duty, Excise duty, Cess and any other statutory dues applicable to it. There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable except sales tax to the extent of Rs.9.54 lakhs. However, the said amount was remitted before the date of our report.

For the year ended March 31, 2013:

Discharge of statutory dues:

According to the information furnished to us and records of the parent company examined by us, at the date of Balance Sheet, there were no amounts of Wealth-tax, Sales tax, Customs duty, Excise duty, Cess and Service tax that were disputed by the Company and hence were not remitted to the concerned authorities, except the liability towards Income-tax, the details of which are given below.

Name of the statute	Nature of dues	Amount in Rs. (net after adjustment against refunds due)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Short credit given towards TDS in processing the return of income	779,827	AY 2009-10	Rectification petition u/s 154 of the Income Tax Act, 1961 filed with the Assessing
Income Tax Act,	Short credit given	8,893,182	AY 2010-11	

Name of the statute	Nature of dues	Amount in Rs. (net after adjustment against refunds due)	Period to which it relates	Forum where dispute is pending
1961	towards TDS in processing the return of income			Officer;

For the year ended March 31, 2011:

Reconciliation of the fixed asset register to the books of account:

According to the information made available to us, the parent company has adopted phased programme of physical verification of its Fixed assets which in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. As per the said programme, the company has carried out physical verification of some of its fixed assets during the year. However reconciliation of the same with the book records has not been carried out during the year.

Physical verification of Inventories:

According to the information and explanations furnished to us, during the year under report the parent company has physically verified its inventories during the year except in respect of its Vijayawada unit. In our opinion, the frequency of such verification to the extent carried out is reasonable.

Internal control systems

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. However in our opinion, the internal control procedures over issue of general stores and manner of Maintenance of relevant records needs to be strengthened.

Note: The discrepancies pointed out in internal control procedures were rectified by the company in the subsequent financial years.

Discharge of statutory dues:

According to the information furnished to us, and records of the company examined by us, at the date of the Balance Sheet, there were no amounts of Sales Tax, Customs Duty, Excise Duty, Cess, Income Tax, Wealth Tax and Service Tax that were disputed by the company and hence were not remitted to the concerned authorities except an amount of Rs.1,75,501 (Asst. year 2006-07), Rs.16,31,713 (Asst. year 2008-09) and Rs.76,92,470 (Asst. year 2009-10) being the liability towards Income-tax which has arisen due to short credit of TDS and levy of interest consequently which was disputed by the company before Asst. Commissioner of Income-tax, Hyderabad. Against the said aggregate liability of Rs.94,99,684/-, the company submitted original TDS certificates to the tune of Rs.25,80,445/-

d. Segment reporting:

The group operates only in one segment i.e in construction activities. This, in the context of AS-17 “Segment reporting” as specified in the Companies (Accounting standard) Rules, 2006 is considered to constitute one single primary segment. The company carried out overseas operations and they do not qualify as reportable segment as operations does not exceed the threshold limit of 10% specified in paragraph no.27 of AS-17.

As per our report of even date

For BRAHMAYYA &CO..	**For and on behalf of the Board of Directors of**
Chartered Accountants	**Power Mech Projects Limited**

KarumanchiRajaj	**S.Kishore Babu**	**Rakesh Sony**
Partner	Chairman and Managing Director	Director
Membership No 202309		
Place: Camp: Hyderabad		
Date:7.7.2015	**J Satish**	**MohitGurjar**
	CFO	Company Secretary

ANNEXURE – V : STATEMENT OF OTHER INCOME

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Other income	57.61	108.12	46.17	40.80	26.04
Profit before tax, as restated	1,065.54	1,067.30	764.35	782.36	565.38
% of other income to net profit before tax, as restated	5.41%	10.13%	6.04%	5.21%	4.61%

Details of other income for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011:

(Rs. in Millions)

Particulars	Recurring /Non-recurring	R /NR to Business activity	For the year ended March 31,				
			2015	2014	2013	2012	2011
Interest on bank deposits	Recurring	NR	54.13	57.21	42.23	40.17	24.40
Dividend from Investments	Recurring	NR	-	7.66	-	-	-
Profit on disposal of fixed assets	Non-Recurring	NR	0.51	1.22	3.91	0.08	0.27
Foreign exchange fluctuation	Non-recurring	NR	2.92	42.03	0.03	-	0.70
Miscellaneous income	Non-Recurring	NR	0.05	-	-	0.55	0.67
Total			**57.61**	**108.12**	**46.17**	**40.80**	**26.04**

R: Related, NR: Not Related

Note: The classification of other income as Recurring/Non-Recurring, Related/Non-Related to business activity is made based on the Principal or ancillary revenue generating activities of the company.

ANNEXURE – VI : STATEMENT OF RELATED PARTY TRANSACTIONS

I. Names of the related parties and their relationship

Category of Related Parties	For the year ended March 31, 2015	2014	2013	2012	2011
Key management personnel (KMP)	S.Kishore Babu, Chairman & Managing Director of Power Mech Projects Ltd Jitendra Kumar Managing director of Hydro Magus Pvt Ltd Arbind Kumar Koul, Director and CEO of Hydro Magus Pvt Ltd K.Shishir Kumar, Managing Director of Power Mech Industri Private Limited				
Relatives of Key Management Personnel	S. Lakshmi – Director. W/o S. Kishore Babu, S. Rohit S/o S.Kishore Babu, S.Vignatha d/o S.Kishore Babu, S.Kishore Babu (HUF)				
Companies/ Enterprises controlled by KMP / Relatives of KMP	Power Mech Infra Limited Bombay Avenue Developers Private Limited True Rrav Marketing Private Limited Lakshmi Agro Farms Power Mech Foundation				

ANNEXURE – VI *:* STATEMENT OF RELATED PARTY TRANSACTIONS

(Rs. In Millions)

Nature of Transaction	**Key Management Personnel**					**Relatives of key Management personnel**					**Companies controlled by KMP / Relatives of KMP**				
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**
Rent expense															
S. Kishore Babu	2.88	1.41	0.95	0.95	0.77	-	-	-	-	-	-	-	-	-	-
S.Lakshmi	-	-	-	-	-	0.90	0.77	0.11	0.11	0.10	-	-	-	-	-
S.Kishore Babu (HUF)	-	-	-	-	-	0.62	0.28	0.11	0.35	0.29	-	-	-	-	-
S.Rohit	-	-	-	-	-	0.99	0.99	0.90	0.90	0.90	-	-	-	-	-
Remuneration															
S. Kishore Babu	55.77	56.53	39.92	35.14	24.75	-	-	-	-	-		-	-	-	-
S.Rohit	-	-				0.64									
Jitendra Kumar	3.18	1.75	-	-	-	-	-	-	-	-		-	-	-	-
Arbind Kumar Koul	3.18	3.00	-	-	-	-	-	-	-	-		-	-	-	-
Professional Charges															
S.Lakshmi	-	-	-	-	-	-	-	-	-	1.80		-	-	-	-
Purchase of fixed assets															
S.Lakshmi	-	-	-	-	-	-	-	4.00	-	-		-	-	-	-
S.Kishore Babu (HUF)	-	-	-	-	-	-	-	5.00	-	-		-	-	-	-

Nature of Transaction	Key Management Personnel					Relatives of key Management personnel					Companies controlled by KMP / Relatives of KMP				
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**
Sub-contract expenses															
Power Mech Infra	-	-	-	-	-	-	-	-	-	-	542.85	514.75	487.06	137.31	36.91
Donations paid															
Power Mech Foundation	-	-	-	-	-	-	-	-	-	-	5.70	5.00	4.40	3.00	1.60
Hire charges paid															
Power Mech Infra	-	-	-	-	-	-	-	-	-	-	0.35	-	-	-	-
Balances at year / period end															
Due to PMIL		-	-	-	-	-	-	-	-	-	28.25	147.22	93.99	4.39	0.00
Remuneration payable															
S. Kishore Babu	4.23	15.37	-	-	-	-	-	-	-	-	-	-	-	-	-
Jitendra Kumar	1.77	0.60	-	-	-	-	-	-	-	-	-	-	-	-	-
Arbind Kumar Koul	1.68	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance against works to PMIL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.28

Nature of Transaction	Key Management Personnel					Relatives of key Management personnel					Companies controlled by KMP / Relatives of KMP				
Transactions during the year/period ended	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**	**2014-2015**	**2013-2014**	**2012-2013**	**2011-2012**	**2010-2011**
Advance given for purchase of flat from Ms. S.Lakshmi	-	-	-	-	-	-	-	-	1.00	-	-	-	-	-	-

ANNEXURE – VII :

A. STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS

(Rs in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
I) Contingent Liabilities Claims against the company not acknowledged as debts -Income tax -Sales tax -Service tax	- 63.73 42.81	- - -	10.45 - -	- - -	9.50 - -
II) Capital Commitments	80.49	16.03	26.38	74.50	6.50

B. BANK GUARANTEE'S ISSUED BY BANKERS ON BEHALF OF COMPANY

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Guarantees given by the company's bankers and outstanding which are covered by way of pledge of FD with banks.	5,487.80	4,719.85	4,213.31	3,519.96	2,348.89

ANNEXURE – VIII : STATEMENT OF DIVIDEND DECLARED:

(Rs. in Millions)

Particulars	For the year ended March 31,			For the year ended March 31,	
	2015	**2014**	**2013**	**2012**	**2011**
Equity shares - Face value – (Rs.)	10	10	10	10	10
No. of equity shares outstanding at the Year end	12,582,764	10,940,264	10,752,764	10,752,764	10,752,764
No. of preference shares	-	-	-	-	-
Rate of dividend (%)					
Interim – Preference shares	-	-	-	-	-
Final – Preference shares	-	-	-	-	-
Interim – equity shares	-	-	-	-	-
Final – equity shares	10%	15%	10%	10%	15%
Amount of dividend					
Interim – Preference shares	-	-	-	-	-
Final – Preference shares	-	-	-	-	2.00
Interim – Equity shares	-	-	-	-	-
Final – Equity shares	12.58	16.41	10.75	10.75	16.13
Corporate dividend tax	2.56	1.49	1.83	1.74	2.95

ANNEXURE – IX : CAPITALISATION STATEMENT AS AT 31st March, 2015

(Rs. in Millions)

Particulars	Pre-Issue	Post-issue**
Debt		
Short term debt	1,997.41	[.]
Long term debt (Incl. current maturities of long term debt)	711.90	[.]
Total debt	2,709.31	[.]
Shareholders' funds		
Share capital	125.83	[.]
Reserves and surplus	3,421.34	[.]
Total shareholders' funds	**3,547.17**	[.]
Total debt / shareholders' funds (ratio)	**0.76**	[.]
Long term debt/Equity (ratio)	**0.20**	

**** The corresponding Post-Issue Debt / Shareholders' ration are not determinable at this stage as it can be ascertained only after the conclusion of the book building process.**

ANNEXURE – X : STATEMENT OF ACCOUNTING RATIOS

EARNINGS PER SHARE AND RETURN ON NET WORTH

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Net Worth for Equity Share Holders	3,547.15	2,848.57	2,193.18	1,694.35	1,182.02
Net Profit after Tax and Extra ordinary items as per restated statement of Profit and Loss	714.04	680.95	511.66	524.10	376.14
Profit attributable for equity share holders for computing basic EPS (After deducting preference dividend and Tax on Preference Dividend)	714.04	680.95	511.66	524.10	373.80
Profit attributable for equity share holders for computing diluted EPS (After adding debenture interest and tax thereon and preference dividend and tax thereon)	714.04	681.53	512.25	524.22	376.46
Earnings per Share (EPS) – Basic (Rs.)	57.48	62.95	47.58	48.74	40.00
Earnings per Share (EPS) - Diluted (Rs.)	57.48	59.89	44.53	45.57	37.29
@ Earnings per Share (EPS) – Basic (Rs.)	57.48	57.23	43.24	44.29	35.85
@ Earnings per Share (EPS) - Diluted (Rs.)	57.48	54.70	40.71	41.66	33.69
Return on Net Worth (%) for equity shareholder	20.13	23.93	23.36	30.94	31.85

@ Since the bonus shares are issued during the year ended 31.03.2015, the EPS for the previous year periods has been adjusted by considering the bonus shares as per the requirement of para 44 of AS-20 "Earnings per share".

NET ASSET VALUE (NAV) PER EQUITY SHARE

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
NAV per equity share (Rs.)	281.91	247.64	190.67	147.30	102.76

Basis of computation:
Formulae:

Earnings per Share (Rs.) (Refer note No.2 &3)	Net profit after tax as restated / Weighted average number of equity shares outstanding during the year
Net Asset Value per Share (Rs.)	Net worth for equity shareholders / Number of equity shares outstanding as at the year end
Return on Net Worth (Refer note no.1)	Net profit after tax as restated/ Net worth for equity shareholders

Note 1: Net worth for equity shareholders = Equity share capital + Reserves and surplus (excluding Revaluation Reserve)+ Compulsorily Convertible Debentures + Convertible Preference Shares

Note 2: Profit after tax, as restated and appearing in the statement of Restated Profit and Loss of the Company after deducting preference dividend and attributable tax has been considered for the purpose of computing **Basic Earnings Per Share**.

Note 3: Profit after tax, as restated and appearing in the statement of Restated Profit and Loss of the Company after adjusting for preference dividend, debenture interest and attributable tax in respect of dilutive potential equity shares has been considered for the purpose of computing **Diluted Earnings Per Share.**

Note 4: Earnings per Share is calculated in accordance with Accounting Standard 20 'Earnings Per Share', notified accounting standard by Companies (Accounting Standards) Rules, 2006 (as amended).

Note 5: The calculations are based on restated financials.

Note 6: There are no revaluation reserves.

Note 7: Weighted average number of shares outstanding during the year for Basic and Diluted Earnings per share

Particulars	**For the year ended March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
Nominal value of equity shares - (Rs.)	10	10	10	10	10
(A) Weighted average number of equity shares outstanding during the year – for computing Basic Earning per Share	12,417,867	10,817,490	10,752,764	10,752,764	9,345,831
(B) Weighted average number of equity shares outstanding during the year – for computing Diluted Earning per Share	12,417,867	11,379,990	11,502,764	11,502,764	10,095,831
(C) Weighted average number shares of earlier period after adjusting for bonus shares for computing basis EPS	12,417,867	11,897,420	11,832,764	11,832,764	10,425,831
(D) Weighted average number shares of earlier period after adjusting for bonus shares for computing diluted EPS	12,417,867	12,459,990	12,582,764	12,582,764	11,175,831
(E) Shares outstanding as at the period / year end – For computing Net Asset Value	12,582,764	11,502,764	11,502,764	11,502,764	11,502,764

Note 8: Net worth for equity shareholders (Including dilutive potential equity shares)

(Rs. in Millions)

Particulars	**Net worth as per Restated Assets and Liabilities stated in Annexure A of the Restated Summary Statements(Equity)**	**Preference Share Capital**	**Compulsorily Convertible Debentures**	**Total Net worth for the equity share holders**
	(a)	(b)	(c)	(d) = (a) +(b)+ (c)
As at March 31, 2015	3,547.17	-	-	3,547.17
As at March 31, 2014	2,736.07	-	112.50	2,848.57
As at March 31, 2013	2,043.18	-	150.00	2,193.18
As at March 31, 2012	1,544.35	-	150.00	1,694.35
As at March 31, 2011	1,032.02	-	150.00	1,182.02

ANNEXURE – XI : STATEMENT OF TAX SHELTER

(Rs in Millions)

Particulars	**For the year ended March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
Profits before tax, as restated **Dividend Income from Foreign Subsidiary**	**1,065.54** **-**	**1,067.30** **7.66**	**764.35** **-**	**782.36** **-**	**565.38** **-**
Income tax rate - statutory rate **Income tax on Dividends - statutory rate**	33.99% -	33.99% 17.00%	32.45% -	32.45% -	33.22% -
Tax at statutory rate after excluding Dividend**(A)** Tax at statutory rate **(B)**	362.18 -	360.17 1.30	248.03	253.88	187.82
Adjustments:					
Permanent Difference					
Others	20.29	42.03	5.83	27.24	1.45
Total permanent difference (C)	**20.29**	**41.77**	**16.52**	**27.24**	**1.45**
Timing Difference					
Difference between tax depreciation and book depreciation	21.58	-9.82	-2.27	55.44	22.53
Total timing difference (D)	**21.58**	**-9.82**	**-2.27**	**55.44**	**22.53**
Total adjustments (C + D)	**41.87**	**31.95**	**3.56**	**82.68**	**23.98**
Tax on total adjustments at statutory rate **(E)**	**14.23**	**10.95**	**1.21**	**26.83**	**7.97**
Tax liability after considering the adjustments **(A + B + E)**	**376.41**	**372.42**	**249.24**	**280.71**	**195.79**
Interest on income tax under Section 234B and 234C of Income Tax Act, 1961	**4.54**	4.81	0.54	1.90	0.39
Total tax payable	**380.95**	**376.83**	**249.78**	**282.61**	**196.18**

ANNEXURE – XII : RESTATED SUMMARY STATEMENT OF CHANGES IN SHARE CAPITAL

(Rs. In Millions)

Particulars	As at March 31,									
	2015		2014		2013		2012		2011	
Share Capital	No.of shares	Value	No.of shares	Value	No.of shares	Value	No.of shares	Value	No.of shares	Value
Authorised Share Capital										
Equity Shares	26.00	260.00	26.00	260.00	26.00	260.00	26.00	260.00	26.00	260.00
Preference Shares	2.50	25.00	1.50	15.00	--	--	--	--	--	--
Issued, Subscribed and Paid up – Equity Shares										
No. of Shares at beginning of the year	10.94	109.40	10.75	107.53	10.75	107.53	10.75	107.53	9.00	90.00
Add: Shares Issued on conversion of Debentures	0.56	5.63	0.19	1.87	--	--	--	--	--	--
Add: Bonus Shares issued *	1.08	10.80	---	---	---	---	---	---	---	--
Add: Shares Issued on conversion of Preference Shares	--	---	--	--	--	--	--	--	1.75	17.53
Shares at the end of the year	12.58	125.83	10.94	109.40	10.75	107.53	10.75	107.53	10.75	107.53
Issued, Subscribed and Paid up – Preference Shares										
Shares at beginning of the year	--	--	--	--	--	--	--	--	10.00	150.00
Less: Preference Shares converted into Equity shares	--	--	--	--	--	--	--	--	10.00	150.00
Shares at the end of the year	--	--	--	--	--	--	--	--	--	--

Details of Share holders holding more than 5% of the total number of shares

(No's in Millions)

Name of the Share Holder	As at 31.03.2015		As at 31.03.2014		As at 31.03.2013		As at 31.03.2012		As at 31.03.2011	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
S Kishore Babu	3.60	28.62	3.22	29.39	3.22	29.90	3.22	29.90	3.22	29.90
S Kishore Babu HUF	1.34	10.68	1.20	10.97	1.20	11.16	1.20	11.16	1.20	11.16
S Lakshmi	2.40	19.08	2.14	19.59	2.14	19.93	2.14	19.93	2.14	19.93
S Rohit	1.57	12.48	1.40	12.82	1.40	13.04	1.40	13.04	1.40	13.04
India Business Excellence Fund-1	1.88	14.92	1.31	12.02	1.31	12.23	1.31	12.23	1.31	12.23
India Business Excellence Fund	0.63	4.97	0.63	5.72	--	--	--	--	--	--

*
Note: During the year ended 31.03.2015, the company issued 1,080,000 equity shares of Rs.10/- each as fully paid up bonus shares at a ratio of 10:1.2 each (i.e 1.2 shares for every 10 shares held except to members holding 1,940,264 shares)

ANNEXURE – XIII : RESTATED SUMMARY STATEMENT OF RESERVED AND SURPLUS

(Rs. in Millions)

	Particulars	As at March 31,				
		2015	**2014**	**2013**	**2012**	**2011**
A.	**Securities Premium Account**					
	Balance as per the last financial statements	268.10	232.47	232.47	232.47	100.00
	Additions during the year	106.88	35.63	-	-	232.47
	Deductions during the year	10.80	-	-	-	100.00
	Subtotal (A)	**364.18**	**268.10**	**232.47**	**232.47**	**232.47**
B.	**General Reserve**					
	Balance as per the last financial statements	145.38	110.38	90.63	69.90	50.00
	Additions – Transfer from Statement of Profit and Loss	-	35.00	20.00	20.00	20.00
	Add/(Less): Foreign Currency Translation Reserve	-	-	(0.25)	0.73	(0.10)
	Subtotal (B)	**145.38**	**145.38**	**110.38**	**90.63**	**69.90**
C.	**Surplus in statement of Profit and Loss**					
	Balance as per the last financial statements	2,213.19	1,592.80	1,113.72	622.12	212.22
	Add: Profit for the year	714.04	680.95	511.66	524.10	376.14
	Add: Adjustment of profit upto 31.3.2010 on account of retrospective change in depreciation (Refer note 2(a) of Annexure IV)	-	-	-	-	110.78
	Less: Adjustment towards deferred tax upto 31.3.2010 on account of retrospective change in depreciation method (Refer note 2(a) of Annexure IV)	-	-	-	-	35.94
	Less: Distribution of Profits on closure of Subsidiary	-	7.66	-	-	-
	Less: Dividend on equity shares	12.58	16.41	10.75	10.75	16.13
	Less: Dividend on preference shares	-	-	-	-	2.00
	Less: Tax on distributed profits - Equity	2.56	1.49	1.83	1.74	2.62
	Less: Tax on distributed profits – Preference	0.31	-	-	-	0.33
	Less: Transfer to general reserve	-	35.00	20.00	20.00	20.00
	Subtotal (C)	**2,911.78**	**2,213.19**	**1,592.80**	**1,113.72**	**622.12**
	Total	**3,421.34**	**2,626.67**	**1,935.65**	**1,436.82**	**924.49**

ANNEXURE – XIV : RESTATED SUMMARY STATEMENT OF LONG TERM BORROWINGS

(Rs. in Millions)

Particulars	**Non current portion**					**Current Maturities**				
	As at March 31,					**As at March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**	**2015**	**2014**	**2013**	**2012**	**2011**
Secured										
Term loans										
From banks										
Axis bank	108.81	79.81	42.61	72.65	84.48	71.73	68.63	55.69	43.11	28.90
State Bank of Hyderabad	-	-	2.30	11.50	21.04	-	2.36	9.20	9.20	9.20
HDFC	10.82	9.74	14.31	22.76	16.12	12.91	12.21	24.65	39.16	31.80
ICICI	66.55	-	2.00	6.52	4.20	53.85	7.65	4.51	5.07	6.57
Standard Chartered Bank	-	0.12	10.61	30.52	45.20	0.15	10.57	46.90	53.34	33.02
Kotak Mahindra Bank	3.64	-	-	4.52	9.50	2.15	-	4.52	4.98	13.42
State Bank of India	20.36	36.65	-	-	-	16.28	16.28	-	-	-
Standard Chartered Bank (Under Buyers credit)	-	28.55	-	-	-	29.74	-	-	-	-
National Bank of Abudhabi										
Ratnakar Bank	1.40	-	-	-	-	1.56	-	-	-	-
	120.00	-	-	-	-	-	-	-	-	-
From Non-banking financial companies										
Bajaj Finance	-	-	5.98	23.98	-	-	5.98	18.01	23.21	-
L&T Finance	-	-	-	0.21	-	-	-	0.21	0.59	-
SREI		6.82	27.84	51.14	82.33	6.82	21.02	23.30	31.19	41.00
HDB Financial Services	27.74	-	-	-	-	14.03	-	-	-	-
TATA Capital	6.43	-	-	-	-	3.30	-	-	-	-
Other Companies	-	-	-	-	-	-	-	-	-	32.62
Unsecured										
i)Debentures										
1,125 2% Compulsorily Convertible Debentures of Rs. 100,000 each	-	112.50	150.00	150.00	150.00	-	-	-	-	-
ii)**Deferred credit payment to suppliers**	-	-	24.75	201.25	48.05	133.63	277.36	310.50	75.46	-
Total	**365.75**	**274.19**	**280.40**	**575.05**	**460.92**	**346.15**	**422.06**	**497.49**	**285.31**	**196.53**

PARTICULARS OF LONG TERM BOROWINGS AND THEIR TERMS OF REPAYMENT AND SECURITIES PROVIDED

(Rs. in Millions)

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
1	SREI	QUY 80 B & 50 C Hydraulic Crawler Crane	29.00	22.09.2010	22.06.2015	1.86	-	1.86	9.00%	**58**	ASSET BACKED LOANS	4% will be charged on future principle outstanding amount at time of foreclosure request
2	SREI	QUY 80 B & 50 C Hydraulic Crawler Crane	29.28	05.10.2010	05.07.2015	2.48	-	2.48	9.00%	**58**	ASSET BACKED LOANS	4% will be charged on future principle outstanding amount at time of foreclosure request
3	SREI	QUY 80 B & 50 C Hydraulic Crawler Crane	29.27	15.10.2010	15.07.2015	2.48	-	2.48	9.00%	**58**	ASSET BACKED LOANS	4% will be charged on future principle outstanding amount at time of foreclosure request
4	SCB	INDUCTION HEATING MACHINE (KORADI)	3.58	27.05.2012	12.04.2015	0.15	-	0.15	12.50%	**36**	TERM LOAN	4% on Outstanding Amount
5	AXIS BANK	TRANSIT MIXER	0.81	15.06.2012	15.04.2015	0.03	-	0.03	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
6	AXIS BANK	TRANSIT MIXER	0.81	15.06.2012	15.04.2015	0.03	-	0.03	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
7	AXIS BANK	ASHOK LEYLAND CHASIS	2.01	15.06.2012	15.04.2015	0.07	-	0.07	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
8	AXIS BANK	ASHOK LEYLAND CHASIS	2.01	15.06.2012	15.04.2015	0.07	-	0.07	10.90%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
9	HDFC	BENZ CAR	3.65	07.07.2012	17.06.2015	0.35	-	0.35	10.25%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
10	AXIS BANK	TRANSIT MIXER	0.72	20.08.2012	20.06.2015	0.07	-	0.07	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
11	AXIS BANK	ASHOK LEYLAND CHASIS	1.99	20.08.2012	20.06.2015	0.20	-	0.20	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
12	AXIS BANK	MAHINDRA TRUCK (DI-3200)	0.55	10.11.2012	10.09.2015	0.11	-	0.11	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
13	AXIS BANK	AMBULENCE	0.28	10.11.2012	10.09.2015	0.06	-	0.06	11.25%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
14	AXIS BANK	SWARAJ MAZDA BUS	1.16	10.11.2012	10.09.2015	0.23	-	0.23	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
15	AXIS BANK	TAYOTA INNOVA	1.20	01.11.2012	01.10.2015	0.26	-	0.26	10.00%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
16	AXIS BANK	BOLERO	0.70	01.11.2012	01.10.2015	0.15	-	0.15	10.00%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
17	AXIS BANK	TRANSIT MIXER	0.72	05.12.2012	05.10.2015	0.16	-	0.16	10.65%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
												6months
18	AXIS BANK	AMBULENCE	0.25	15.12.2012	15.10.2015	0.06	-	0.06	11.25%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
19	AXIS BANK	SML ISUZU 41 SEATER BUS	1.24	15.12.2012	15.10.2015	0.28	-	0.28	10.65%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
20	AXIS BANK	SML ISUZU 41 SEATER BUS	1.24	15.12.2012	15.10.2015	0.28	-	0.28	10.65%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
21	AXIS BANK	400 KVA DG SET	1.69	05.01.2012	05.11.2015	0.44	-	0.44	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
22	AXIS BANK	BOLERO	0.59	15.01.2013	15.12.2015	0.16	-	0.16	9.51%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
23	HDFC	HOND CITY	0.97	07.03.2013	07.02.2016	0.33	-	0.33	9.90%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
24	HDFC	PORSCHE CAYENNE CAR	9.85	05.05.2013	05.04.2016	3.88	0.31	3.57	9.52%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
25	HDFC	TATA COWL CHASSIS	1.72	01.05.2013	01.03.2016	0.65	-	0.65	10.06%	**35**	ASSET BACKED LOANS	with in 6months 4% and within 7months to 12months 4% and within 13th months to 24th months 2%

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
26	HDFC	TATA COWL CHASSIS	1.72	01.05.2013	01.03.2016	0.65	-	0.65	10.06%	**35**	ASSET BACKED LOANS	with in 6months 4% and within 7months to 12months 4% and within 13th months to 24th months 2%
27	HDFC	TOYOTA ALTIS	1.44	07.08.2013	07.07.2016	0.69	0.18	0.51	9.74%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
28	HDFC	MARUTHI SWIFT	0.82	07.08.2013	07.07.2016	0.39	0.10	0.29	9.97%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
29	AXIS BANK	TATA 709	0.93	20.08.2013	20.06.2016	0.43	0.09	0.34	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
30	AXIS BANK	SWARAJ MAZDA BUS	1.49	01.09.2013	01.07.2016	0.74	0.19	0.54	10.50%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
31	AXIS BANK	BOLERO CAMPER	0.53	01.09.2013	01.07.2016	0.26	0.07	0.19	11.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
32	AXIS BANK	SWARAJ MAZDA BUS	1.39	20.09.2013	20.07.2016	0.69	0.18	0.51	10.50%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
33	AXIS BANK	BOLERO	0.61	01.09.2013	01.08.2016	0.31	0.10	0.21	10.27%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
34	AXIS	BOLERO PLUS 9	0.63	01.09.2013	01.08.2016	0.32	0.10	0.22	10.25%	**36**	ASSET BACKED	within 6months 10% of the

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
	BANK	SEATER									LOANS	loan outstanding and 5% of the outstanding after 6months
35	HDFC	INNOVA	1.56	07.10.2013	07.09.2016	0.84	0.29	0.55	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
36	HDFC	BOLERO PLUS 9 SEATER	0.52	07.11.2013	07.10.2016	0.30	0.12	0.18	11.51%	**36**	ASSET BACKED LOANS	with in 6months 4% and within 7months to 12months 4% and within 13th months to 24th months 2%
37	AXIS BANK	BOLERO PICKUP	0.56	01.11.2013	01.09.2016	0.31	0.11	0.20	11.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
38	AXIS BANK	BOLERO SLX	0.73	15.11.2013	15.10.2016	0.41	0.16	0.25	10.50%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
39	AXIS BANK	TIL CRANE 75TON	28.85	01.12.2013	01.10.2016	16.78	6.52	10.26	10.80%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
40	AXIS BANK	BOLERO XL A/C 9STR	0.67	01.12.2013	01.11.2016	0.40	0.17	0.23	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
41	AXIS BANK	BOLERO XL NON A/C 9STR	0.63	15.12.2013	15.11.2016	0.37	0.16	0.22	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
42	AXIS BANK	BOLERO PICKUP	0.58	01.12.2013	01.10.2016	0.34	0.13	0.21	11.50%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
43	HDFC	TAYOTA INNOVA	1.41	07.12.2013	07.11.2016	0.84	0.35	0.48	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
44	AXIS BANK	SML ISUZU 40 SEATER BUS	1.84	01.01.2014	01.11.2016	1.12	0.47	0.65	10.85%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
45	AXIS BANK	BOLERO PLUS 9 SEATER	0.62	01.01.2014	01.12.2016	0.39	0.17	0.21	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
46	SBI	SCC 2500 C Hydraulic Crawler Crane(LC NO.2034310IM0000059)	57.00	31.01.2014	30.06.2017	36.65	20.36	16.28	12.25%	**42**	AS PER SANCTION LETTER	2% of outstanding for construction Equipment Loan
47	AXIS BANK	SANY SCC 300 TON CRANE	62.92	05.02.2014	05.12.2017	46.97	31.54	15.43	11.26%	**47**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
48	AXIS BANK	BOLERO 9STR	0.63	15.02.2014	15.01.2017	0.41	0.19	0.21	10.61%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
49	AXIS	BOLERO 9STR	0.62	15.02.2014	15.01.2017	0.40	0.19	0.21	10.61%	**36**	ASSET BACKED	within 6months 10% of the

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
	BANK										LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	loan outstanding and 5% of the outstanding after 6months
50	AXIS BANK	BOLERO PLUS 9	0.61	01.03.2014	01.02.2017	0.41	0.21	0.21	10.61%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
51	AXIS BANK	BOLERO 9STR	0.65	01.03.2014	01.02.2017	0.44	0.22	0.22	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
52	AXIS BANK	BOLERO PICKUP	0.55	01.03.2014	01.01.2017	0.37	0.18	0.19	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi forGuarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
53	AXIS BANK	FORCE CRUSIER	0.74	01.04.2014	01.02.2017	0.51	0.26	0.25	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
54	AXIS BANK	BOLERO CAMPER	0.54	15.04.2014	15.02.2017	0.38	0.19	0.19	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
55	AXIS BANK	BOLERO PICKUP	0.54	15.04.2014	15.02.2017	0.38	0.19	0.19	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
56	AXIS BANK	BOLERO XL PLUS	0.61	15.04.2014	15.03.2017	0.43	0.23	0.20	10.60%	**36**	ASSET BACKED LOANS/	within 6months 10% of the loan outstanding and 5% of

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
											S.Kishore Babu and S.Lakshmi for Guarantor	the outstanding after 6months
57	AXIS BANK	BOLERO 9STR	0.61	15.04.2014	15.03.2017	0.43	0.22	0.20	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
58	AXIS BANK	BOLERO 9STR	0.61	15.04.2014	15.03.2017	0.43	0.22	0.20	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
59	AXIS BANK	INNOVA	1.22	15.04.2014	15.03.2017	0.85	0.45	0.41	10.50%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi forGuarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
60	AXIS BANK	BOLERO SLX	0.72	15.04.2014	15.03.2017	0.51	0.27	0.24	10.60%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
61	AXIS BANK	BOLERO PLUS 9STR	0.61	15.05.2014	15.04.2017	0.44	0.24	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
62	AXIS BANK	BOLERO PICKUP	0.54	10.05.2014	10.03.2014	0.39	0.21	0.18	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
63	ICICI	SANY CRAWLER CRANE 50TON (LC	14.60	15.05.2014	15.03.2017	10.55	5.59	4.96	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
		NO.2034311IM0000020)										
64	ICICI	SANY CRAWLER CRANE 80TON (LC NO.2034311IM0000020)	23.40	15.05.2014	15.03.2017	16.90	8.96	7.95	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
65	ICICI	SANY CRAWLER CRANE 80TON (LC NO.2034311IM0000019)	23.40	15.05.2014	15.03.2017	16.90	8.96	7.95	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
66	ICICI	SANY CRAWLER CRANE 50TON (LC NO.2034311IM0000019)	14.55	15.05.2014	15.03.2017	10.51	5.57	4.94	12.24%	**35**	ASSET BACKED LOANS	5% of principal outstanding
67	AXIS BANK	SELF LOADING CONCRETE MIXER	3.31	20.05.2014	20.03.2017	2.38	1.26	1.13	10.85%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
68	AXIS BANK	BOLERO PICKUP	0.55	05.06.2014	15.04.2017	0.41	0.22	0.18	11.25%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
69	AXIS BANK	TRACTOR WITH HYDRAULIC TRAILOR	0.69	05.06.2014	05.04.2017	0.52	0.28	0.23	11.26%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
70	AXIS BANK	BOLERO XL PLUS	0.63	15.06.2014	15.05.2017	0.47	0.27	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

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											Guarantor	
71	AXIS BANK	SML ISUZU BUS 32 SEATER	1.18	01.07.2014	01.05.2017	0.91	0.52	0.39	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
72	AXIS BANK	SML ISUZU BUS 32 SEATER	1.22	01.07.2014	01.05.2017	0.94	0.54	0.41	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
73	AXIS BANK	SML ISUZU BUS 32 SEATER	1.22	01.07.2014	01.05.2017	0.94	0.54	0.41	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
74	AXIS BANK	SML ISUZU BUS 32 SEATER	1.24	01.07.2014	01.05.2017	0.95	0.54	0.41	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
75	AXIS BANK	BOLERO 9STR	0.59	01.07.2014	01.06.2017	0.46	0.27	0.19	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
76	AXIS BANK	BOLERO 9STR	0.69	01.07.2014	01.06.2017	0.54	0.31	0.22	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
77	AXIS BANK	BOLERO 9STR	0.61	01.07.2014	01.06.2017	0.48	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

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78	AXIS BANK	BOLERO 9STR	0.62	01.07.2014	01.06.2017	0.48	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
79	AXIS BANK	BOLERO PLUS	0.61	01.07.2014	01.06.2017	0.47	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
80	AXIS BANK	BOLERO XL	0.62	15.07.2014	15.06.2017	0.48	0.28	0.20	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
81	AXIS BANK	BOLERO 9STR	0.65	15.07.2014	15.06.2017	0.50	0.30	0.21	10.75%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
82	AXIS BANK	SML 32 SEATER BUS	1.21	15.07.2014	15.05.2017	0.94	0.53	0.40	10.76%	**36**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
83	AXIS BANK	SML 41 SEATER BUS	1.32	20.07.2014	20.05.2017	1.02	0.58	0.44	10.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
84	ICICI	80TON CRALWER CRANE (LC NO.856010026086-A)	23.40	22.07.2014	22.05.2017	18.12	10.33	7.79	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding

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85	ICICI	80TON CRALWER CRANE (LC NO.856010026059-A)	23.40	22.07.2014	22.05.2017	18.12	10.33	7.79	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
86	ICICI	50TON CRALWER CRANE (LC NO.856010026077-A)	14.60	22.07.2014	22.05.2017	11.30	6.44	4.86	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
87	ICICI	50TON CRALWER CRANE (LC NO.856010026077-A)	14.60	22.07.2014	22.05.2017	11.30	6.44	4.86	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
88	AXIS BANK	TATA 1109 TRUCK	1.19	05.08.2014	05.06.2017	0.95	0.56	0.39	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
89	AXIS BANK	JCB 3DX	1.87	05.08.2014	05.06.2017	1.50	0.87	0.62	10.75%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
90	AXIS BANK	BOLERO PICKUP	0.57	15.08.2014	15.06.2017	0.45	0.27	0.19	11.25%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
91	ICICI	SANY CONCRETE PUMP (LC NO.856010025693-A) USD 175000	8.34	07.08.2014	07.06.2017	6.69	3.94	2.75	12.25%	**35**	ASSET BACKED LOANS	5% of principal outstanding
92	HDFC	TAYOTA INNOVA	1.48	07.08.2014	07.07.2017	1.19	0.71	0.47	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and

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												after 24thmonth 3%
93	HDFC	BOLERO SLX	0.74	05.09.2014	05.08.2017	0.61	0.38	0.23	10.76%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
94	HDFC	HOND CITY	1.00	05.09.2014	05.08.2017	0.83	0.51	0.32	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
95	HDFC	BOLERO 9STR	0.63	05.09.2014	05.08.2017	0.52	0.32	0.20	10.75%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
96	HDFC	BOLERO SLX	0.71	05.09.2014	05.08.2017	0.59	0.36	0.23	10.75%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
97	AXIS BANK	BOLERO PICKUP	0.55	15.08.2014	15.06.2017	0.44	0.26	0.18	11.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
98	HDFC	15TON HYDRAULIC MOBILE CRANE	1.69	15.10.2014	15.08.2017	1.43	0.88	0.55	10.50%	**35**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
99	HDFC	BOLERO XL PLUS	0.62	05.10.2014	05.09.2017	0.53	0.34	0.20	10.76%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
100	HDFC	BOLERO PLUS 9STR	0.63	07.09.2014	07.08.2017	0.52	0.32	0.20	10.75%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
101	HDFC	ASHOK LEYLAND	1.75	05.09.2014	05.07.2017	1.44	0.87	0.58	10.20%	**35**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
102	HDFC	HONDA CRV	2.43	05.09.2014	05.08.2017	2.01	1.24	0.77	10.00%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
103	AXIS BANK	MAHINDRA TRACTOR	0.66	20.09.2014	20.07.2017	0.55	0.33	0.22	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
104	AXIS BANK	FORCE CRUSIER	0.60	20.09.2014	20.07.2017	0.49	0.30	0.20	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
105	AXIS BANK	BOLERO PICKUP	0.54	20.09.2014	20.07.2017	0.45	0.27	0.18	11.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
106	AXIS BANK	SWARAJ MAZDA BUS	1.26	20.09.2014	20.07.2017	1.03	0.62	0.41	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
107	AXIS BANK	SWARAJ MAZDA BUS	1.21	20.09.2014	20.07.2017	1.00	0.60	0.40	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
108	AXIS	BOLERO PICKUP	0.55	20.10.2014	20.08.2017	0.46	0.29	0.18	10.76%	**35**	ASSET BACKED	within 6months 10% of the

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	BANK										LOANS	loan outstanding and 5% of the outstanding after 6months
109	AXIS BANK	BOLERO PLUS 9STR	0.62	15.10.2014	15.09.2017	0.53	0.33	0.20	10.50%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
110	AXIS BANK	BOLERO PLUS	0.62	15.10.2014	15.09.2017	0.53	0.33	0.19	10.50%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
111	AXIS BANK	TATA 1109 TRUCK	1.20	10.10.2014	10.08.2017	1.02	0.63	0.39	10.52%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
112	AXIS BANK	ASHOK LEYALAND 3518 TRACTOR	1.71	10.10.2014	10.08.2017	1.45	0.90	0.56	10.26%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
113	AXIS BANK	TATA 1109 TRUCK	1.26	20.10.2014	20.08.2017	1.07	0.66	0.41	10.53%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
114	HDFC	BOLERO PLUS 9STR	0.63	07.10.2014	07.09.2017	0.54	0.34	0.20	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
115	HDFC	BOLERO PLUS 9STR	0.66	07.10.2014	07.09.2017	0.57	0.36	0.21	10.50%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
116	KOTAK	16TON ESCORT CRANE	1.75	20.10.2014	20.08.2017	1.48	0.91	0.56	10.50%	**35**	ASSET BACKED LOANS	with in 6months 5% after 6months 3%
117	KOTA	23TON CRANE	2.48	20.11.2014	20.09.2017	2.16	1.36	0.79	10.50%	**35**	ASSET BACKED	with in 6months 5% after

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
	K										LOANS	6months 3%
118	KOTAK	23TON CRANE	2.48	20.11.2014	20.09.2017	2.16	1.36	0.79	10.50%	**35**	ASSET BACKED LOANS	with in 6months 5% after 6months 3%
119	AXIS BANK	BOLERO PICKUP	0.57	20.11.2014	20.09.2017	0.50	0.31	0.18	11.03%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
120	AXIS BANK	TATA 1109 TRUCK	1.23	20.11.2014	20.09.2017	1.08	0.68	0.40	10.61%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
121	AXIS BANK	CONCRETE PUMP AND ACCESSORIES	2.43	10.01.2015	10.11.2017	2.25	1.48	0.77	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
122	AXIS BANK	CEMENT SILOS 100TON	0.31	10.01.2015	10.11.2017	0.29	0.19	0.10	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
123	AXIS BANK	CEMENT SILOS 100TON	0.31	10.01.2015	10.11.2017	0.29	0.19	0.10	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
124	AXIS BANK	BELT CONVEYOR SYSTEM	0.94	10.01.2015	10.11.2017	0.87	0.57	0.30	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
125	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
126	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
127	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
128	AXIS BANK	CONCRETE MIXTURE	0.81	10.01.2015	10.11.2017	0.75	0.49	0.26	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
129	AXIS BANK	FLY ASH FEEDING SYSTEM	0.50	10.01.2015	10.11.2017	0.46	0.30	0.16	11.01%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
130	AXIS BANK	BATCHING PLANT	3.96	10.01.2015	10.11.2017	3.67	2.41	1.25	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
131	AXIS BANK	BOLERO PICKUP	0.56	10.01.2015	10.11.2017	0.52	0.34	0.18	10.77%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
132	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
133	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
134	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
135	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.45	10.01.2015	10.11.2017	2.27	1.49	0.78	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
136	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
137	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
138	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
139	AXIS BANK	ASHOK LEYLAND 2518 RMC	1.91	10.01.2015	10.11.2017	1.77	1.16	0.60	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
140	HDB FINANCIAL SERVICES	150TON CRAWLER CRANE (LC NO:856010028191-A USD 830000)	45.00	04.01.2015	04.11.2017	41.76	27.73	14.03	12.76%	**35**	ASSET BACKED LOANS/ S.Kishore Babu and S.Lakshmi for Guarantor	prepayment is allowed only after 6months, between 7 to 36months 4% of principle outstanding, beyond 36months 2% principle outstanding
141	AXIS BANK	BOLERO AC 9STR	0.64	15.01.2015	15.12.2017	0.59	0.40	0.20	10.50%	**36**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
142	AXIS BANK	JCB 3DX LOADER	2.04	15.01.2015	15.11.2017	1.89	1.24	0.65	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
143	AXIS BANK	JCB 3DX LOADER	2.04	15.01.2015	15.11.2017	1.89	1.24	0.65	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
144	AXIS BANK	SWARAJ MAZDA BUS	1.44	15.01.2015	15.11.2017	1.34	0.88	0.46	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
												the outstanding after 6months
145	AXIS BANK	SWARAJ MAZDA BUS	1.41	15.01.2015	15.11.2017	1.31	0.86	0.45	10.52%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
146	AXIS BANK	100 TON CEMENT SILO	0.29	01.03.2015	01.01.2018	0.29	0.20	0.09	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
147	AXIS BANK	100 TON CEMENT SILO	0.29	01.03.2015	01.01.2018	0.29	0.20	0.09	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
148	AXIS BANK	FLY ASH FEEDING SYSTEM	0.62	01.03.2015	01.01.2018	0.61	0.41	0.19	1076.00%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
149	AXIS BANK	BATCHING PLANT	6.95	01.03.2015	01.01.2018	6.78	4.61	2.17	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
150	AXIS BANK	FORCE CRUSIER	0.69	01.03.2015	01.01.2018	0.68	0.46	0.22	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
151	AXIS BANK	JCB 3DX LOADER	1.97	20.03.2015	20.01.2018	1.92	1.31	0.61	10.60%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
152	AXIS BANK	AGGREGATE CONVEYOR	0.68	20.03.2015	20.01.2018	0.66	0.45	0.21	11.02%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
153	AXIS BANK	SWARAJ MAZDA BUS	1.39	20.03.2015	20.01.2018	1.36	0.93	0.43	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
												the outstanding after 6months
154	AXIS BANK	ASHOK LEYLAND 2518 RMC	2.01	10.03.2015	10.01.2018	1.96	1.33	0.63	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
155	AXIS BANK	CONCRETE MIXTURE	0.78	10.03.2015	10.01.2018	0.77	0.52	0.24	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
156	AXIS BANK	BOLERO CAMPER	0.55	01.03.2015	01.01.2018	0.54	0.37	0.17	10.76%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
157	TATA CAPITAL	SANY EXCAVATOR	4.86	15.03.2015	15.01.2018	4.72	3.11	1.61	3.73%	**35**	ASSET BACKED LOANS	4% of the loan outstanding and
158	HDFC	AUDI CAR Q3	4.04	07.04.2015	07.03.2018	4.04	2.83	1.22	10.00%	**36**	ASSET BACKED LOANS	with In 6months not allowed and within 7th to 12month 6% and within 13th to 24th month 5% and after 24thmonth 3%
159	AXIS BANK	CONCRETE PUMP AND ACCESSORIES	2.13	10.04.2015	10.02.2018	2.13	1.47	0.66	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
160	AXIS BANK	PUTZMEISTER CONCRETE BOOM PLACER	10.66	10.04.2015	10.02.2018	10.66	7.37	3.29	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
161	AXIS BANK	CONCRETE MIXTURE	0.74	20.04.2015	10.02.2018	0.74	0.51	0.23	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
162	AXIS BANK	CONCRETE MIXTURE	0.74	20.04.2015	10.02.2018	0.74	0.51	0.23	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
												the outstanding after 6months
163	AXIS BANK	ASHOK LEYLAND 2518 RMC	2.01	20.04.2015	10.02.2018	2.01	1.39	0.62	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
164	AXIS BANK	ASHOK LEYLAND 2518 RMC	2.01	20.04.2015	10.02.2018	2.01	1.39	0.62	10.51%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
165	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.43	20.04.2015	10.02.2018	2.43	1.68	0.75	10.44%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
166	AXIS BANK	ASHOK LEYLAND 2518 TIPPERS	2.43	20.04.2015	10.02.2018	2.43	1.68	0.75	10.44%	**35**	ASSET BACKED LOANS	within 6months 10% of the loan outstanding and 5% of the outstanding after 6months
167	TATA CAPITAL	SANY EXCAVATOR	5.01	21.04.2015	21.02.2018	5.01	3.32	1.69	1.80%	**35**	ASSET BACKED LOANS	4% of the loan outstanding and
168	SCB	SBI DOHA (BUYERS CREDIT) 20T TOWER CRANE (LC .NO.	28.17		26.06.2015	30	-	30	1.97%	BULLET PAYMENT	Buyers Bullet Payment	
169	National Bank of Abudhabi	Toyota Coaster Vehicle	3.20	15.02.2015	15.01.2014	2.96	3.20	.29	4.2763%	24	Term Loan	
170	Ratnakar Bank Ltd	Construction of Workshop and Procurement of Machinery	120.00	03.02.2015	02.02.2020	120	120	-	12.75%	60	Term Loan	In case of Borrower desires to prepay the loan, the prepayment of loan will accepted on the terms & conditions to be decided by

S.NO	NAME OF THE LENDOR	TYPE OF VECHICLE	LOAN SANCTIONED AMOUNT	EMI STARTING DATE	EMI ENDING DATE	AMOUNT OUTSTANDING AS ON 31.03.15	Long Term Borrowings As at 31.03.2015	Current Maturities as at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penalty Terms
												the bank.
171	Axis bank	Innova	1.44	15.09.2013	15.08.2016	0.73	-	0.73	10%	36	ASSET BACKED LOANS	Late Payment penalty 2% per month 5% of the Part Payment amount after 180 days from the date of disbursement. 10% of the Part payment amount upto 180 days from the date of disbursement
172	Axis bank	Rexton	2.00	15.03.2013	15.02.2016	0.68	.23	0.45	10%	36	ASSET BACKED LOANS	Late Payment penalty 2% per month 5% of the Part Payment amount after 180 days from the date of disbursement. 10% of the Part payment amount upto 180 days from the date of disbursement
			679.37		**TOTAL**	**578.27**	**365.75**	**212.52**				

Note 1:

The non-current portion of Rs.365.75mn of above term loans outstanding as on 31.03.2015 are repayable in following manner.
FY2016-17 Rs195.83mn, FY 2017-18 Rs.169.92mn,

Note 2 : Debentures:

The company issued 1500 2% Compulsorily convertible debentures of Rs.1,00,000/- each during the financial year 2010-11. The debentures are to be convertible into 7,50,000 Equity shares of Rs. 10/- each at a premium of Rs. 190/- each at any time at the option of debenture holders within a period of 5years and shall rank paripassu in all respects and identical with the existing Equity shares of the company with reference to all rights and benefits, including but not limited to voting rights, dividends, stock splits, bonus and/or rights issuance and all other provisions provided in agreement to issue.

1 As per the terms of the agreement, one of the Debenture holders, India Business Excellence Fund exercised their option of conversion of 375 debentures, whereby 1,87,500 equity shares of Rs.10/- each were allotted at a premium of Rs.190/- each in the F.Y – 2013-14

2 As per the terms of the agreement, the other Debenture holder, India Business Excellence Fund - 1 exercised their option of conversion of 1125 debentures, whereby 5,62,500 equity shares of Rs.10/- each were allotted at a premium of Rs.190/- each in the F.Y – 2014-15.

ANNEXURE – XV : RESTATED STATEMENT OF COMPONENTS OF DEFERRED TAX

(Rs. In Millions)

Particulars	**As at March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
a) Liability:					
On Fixed Assets towards Depreciation	49.01	87.33	73.42	58.89	49.68
b) Assets :					
Loss on Foreign exchange fluctuations	1.10	8.96	5.36	(6.26)	0.29
disallowed under Sec: 43A Disallowances u/s 43B of Income-tax	0.70	-	-	-	-
Total	**47.21**	**78.37**	**68.06**	**65.15**	**49.39**

ANNEXURE – XVI : RESTATED SUMMARY STATEMENT OF OTHER LIABILITIES

(Rs. In Millions)

Particulars	Non-current					Current				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Current maturities of long-term debt	-	-	-	-	-	212.52	144.70	186.98	209.85	196.53
Deferred credit payment to suppliers	-	-	-	-	-	133.63	277.36	310.51	75.46	-
Mobilisation advances from customers	262.68	358.68	505.78	692.28	439.18	327.47	255.75	461.07	471.97	359.83
Retention money and security deposits due to sub-contractors	378.58	577.36	323.23	174.21	100.09	268.76	133.51	103.17	87.94	102.45
Creditors for capital goods	-	-	-	-	-	15.76	82.67	6.47	5.72	9.36
Advances received from customers against supplies/works	-	-	-	-	-	270.08	179.58	123.65	130.26	5.25
Interest accrued and due on borrowings		-	-	-	-	0.41	0.77	0.15	0.27	-
Interest accrued but not due on borrowings	-	-	-	-	-	0.40	0.39	0.80	0.87	1.57
Staff security deposits	-	-	-	-	-	0.39	-	-	3.43	2.30
Unclaimed Dividend	-	-	-	-	-	0.18	0.07	0.12	0.04	-
Employee related payments	-	-	-	-	-	106.52	123.54	56.61	32.35	27.18
Statutory liabilities	-	-	-	-	-	80.03	88.57	29.97	92.29	96.26
Others	-	-	-	-	-	163.78	81.28	54.62	47.49	19.36
Total	**641.26**	**936.04**	**829.01**	**866.49**	**539.27**	**1,579.93**	**1,368.19**	**1,334.12**	**1,157.94**	**820.09**

Note: Current maturities represent amounts to be settled within 12 months after the date of Balance Sheet. The segregation of above amounts between current and non current are made based on the time schedule in execution of projects, probability in completion of works, estimation in turnover, terms of release of payments and estimations made by the management.

ANNEXURE – XVIII : RESTATED SUMMARY STATEMENT OF SHORT-TERM BORROWINGS

(Rs. in Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Secured					
Working capital loans from banks					
From State Bank of Hyderabad	554.46	530.61	494.98	187.57	33.43
From Axis Bank	-	-	-	50.53	50.45
From Standard Chartered Bank	250.00	50.00	50.00	50.00	-
From ICICI	50.46	50.37	50.00	-	-
From Citi Bank (Bill discounting)	46.82	247.66	199.98	-	-
From State Bank of India	769.03	298.35	-	-	-
From Ratnakar Bank	240.00	-	-	-	-
Over draft facility from banks					
From State Bank of Hyderabad	86.64	92.57	50.03	26.16	9.14
From State Bank of India	-	27.15	26.65	-	-
Unsecured					
From SIDBI under MSME- Receivable finance scheme	-	97.28	-	-	-
Total	**1,997.41**	**1,393.99**	**871.64**	**314.26**	**93.02**

a) Working capital loans from SBH, Standard Chartered bank, SBI and ICICI bank are secured by way of first charge on entire current assets of the company on pari passu basis. Further these loans are secured by way of first charge on fixed assets both present and future, excluding those assets against which charge was given to equipment financiers. The rate of Interest ranges from 10.35% to 12.75%. The said loans are collaterally secured by way of equitable mortgage of immovable properties belonging to the company, Managing director, director and a firm.

b) In case of loan from Ratnakar bank, the company is in the process of creating security against its assets as per the terms of sanction.

c) Bill Discounting facilities with Citi Bank is secured by way of first charge on pari-passu basis on inventories and book debts of the company.

d) Overdraft facility from banks is secured against fixed deposits with banks.

e) All the above loans are guaranteed by Managing Director and a director in their personal capacities.

Particulars of Short term Borrowings and their terms of Sanction and securities provided:

(Rs. in Millions)

Sl. No	Name of the lender	Nature of	Sancationed	Sanctioned Date	Sanctioned Expiry/Renewal Date	Amount	Borrowings As at 31.03.2015	ROI(%)	Repayment	Details of security provided	Prepayment and Penality Terms
1	STATE BANK OF HYDERABD	CASH CREDIT	550.00	16.02.2015	15.02.2016	550.00	536.27	10.95%	12	DETAILS ATTACHED	NOT APPLICABLE
2	STANDARED CHARTERED BANK	EXPORT PRESHIPMENT LOAN	250.00	06.08.2014	05.08.2015	250.00	250.00	11.30%	12	DETAILS ATTACHED	NOT APPLICABLE
3	ICICI BANK LIMITED	WCDL	50.00	09.01.2015	08.01.2016	50.00	50.46	11.50%	12	DETAILS ATTACHED	NOT APPLICABLE
4	STATE BANK OF INDIA	CASH CREDIT	300.00	13.11.2014	12.11.2015	300.00	264.63	11.50%	12	DETAILS ATTACHED	NOT APPLICABLE
5	STATE BANK OF INDIA	WCDL	500.00	13.11.2014	12.11.2015	500.00	504.40	10.35%	12	DETAILS ATTACHED	NOT APPLICABLE
6	CITI BANK	BILL DISCOUNTING	50.00	03.03.2015	02.03.2016	50.00	46.82	10.75%	12	DETAILS ATTACHED	NOT APPLICABLE
7	RATNAKAR BANK LIMITED	WCDL	150.00	22.01.2015	21.01.2016	150.00	150.00	12.00%	12	DETAILS ATTACHED	NOT APPLICABLE
8	RATNAKAR BANK LIMITED	WCDL	90.00	26.03.2015	25.03.2016	90.00	90.00	12.00%	12	DETAILS ATTACHED	NOT APPLICABLE
9	STATE BANK OF HYDERABD	CASH CREDIT	20.00	20.06.2014	15.09.2015	20.00	18.19	12.75%	12	DETAILS ATTACHED	NOT APPLICABLE
	TOTAL		**1,940.00**			**1,940.00**	**1910.77**				

Details of Securities Provided for Short Term Borrowings:

(Rs. in Millions)

Facility	Details of Security	Owned by	Type of charge	Value (Rs. In Millionss)	Date of Valuation	Basis of Valuation
1	Agricultural Land at Singupalem,Repalle, Guntur Dist. In the Name of S.Kishore Babu			2.00	28.03.2012	SBH
	Extent	Survey No.				
	2.50 acres	355/2,2C/1A				
2	Agricultural Land at Singupalem village,Repalle Mandal ,Guntur Dist. In the Name of S.Kishore Babu			3.20	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	4.00 acres	356/1,3,4,5,7,8,9,10,11,357/4,5				
3	Agricultural Land at Singupalem Village,Repalle mandal, Guntur Dist. In the Name of S.Kishore Babu			1.70	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	3.40acres	359/2,3, 361/5,7,1				
4	Agricultural Land at Gangadipalem village,Repalle mandal, Guntur Dist. In the Name of S.Kishore Babu			6.10	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	12.11 acres	Division No: 877,878 & 880				
5	Residential Flat at 3rd floor,flat No.17,Keerthi apartments, Gayatri Nagar,Vijayawada in the name of S. Kishore Babu			3.00	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	1052 sq yards	11/5(New 47/2A1)				
6	Residential Flat at 12-455/A, Flat No.4 & 5, IIIrd Floor, Hi-way Towers ,Kunchanapalli Village,Tadepalli,Guntur Dist. In the name of M/s. Lakshmi Agro Farms(Rep. S.Lakshmi)			2.60	28.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	34.14 sq. Yards	90-3				
7	Residential site/ Staff quarters at Ward No.27 BDP No.356,P.H.No.4,Ambica Mandir Road,, Balco Nagar ,Risda Area,Korba , Chattisgharh in the name of M/s. Power Mech Projects Limited			3.80	08.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	10777.88 sq. ft.	Kh. No.860/2, W.No.27				
8	Residential Apartments at F-202,2nd floor,Parijaat Apartment,Vikas Nagar, Wardha Road, Nagpur in the name of S.Lakshmi			5.00	08.03.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	928.97 sq. ft.	KH .No.43/5, Ward No.75,House No.1429.				
9	Residential Apartment at Flat No.403,3rd Floor, Vamshi Rishi Residency, Begumpet, Hyderabad in the name of S.Kishore Babu			4.5	18.04.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	1474 sq. ft.	M.C.H.No.6-3-865/B				
10	Office Building at Plot No's-21 & 22, K.H.Nos 91/1 & 106/3, Parsodi village, Nr Nagpur-Wardha Highway, Tehsil Nagpur Rural, Nagpur Dist. in the name of Power Mech Projects Ltd			4.00	08.03.2012	D.Venkata Reddy (SBH Panel Valuer)

Facility	Details of Security	Owned by	Type of charge	Value (Rs. In Millionss)	Date of Valuation	Basis of Valuation
	Extent	Survey No.				
	358.66 sq. yards (300 sq. mts)	H.No 91/1 & 106/3, Plot No21 & 22				
11	Flat at Flat N.2-RE,2nd Floor, Block-1, "Ruby Apartment",Maniratnam Housing Complex, Bhatanda,Rajarhat 24 paraganas (N) Kolkata in the name of Power Mech Projects Ltd.			5.50	15.05.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	Plinth Area 1510 sft , car parking 120 sft.	Khatian Nos-1637,1638,672,673				
12	Building at Flat No.402,4th Floor,Swasthik pride, Land Mark- Union Bank of India, D.K.Sandu Marg, chembur,Mumbai-400 071 in the name of Power Mech Projects Ltd.			22.20	15.06.2011	Vilakshan Management Services (govt. Approved Valuers)
	Extent	Survey No.				
	1022 sq. ft.	Plot No.51, CTS Nos.942,942(1) to (4), Village Chembur, Taluka Kurla				
13	Land & Building at Narayari village, Janjgir,champa, Akaltara(Dist.), Chattisgarh in the name of Power Mech Projects Ltd.			16.80	29.10.11	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	4.20 acres	R.S.No's.1692/9,10,11 &12				
14	Building at 60-22-4/13/1,kakani Venkata Ratnam Veedhi, Gayatrinagar,Vijayawada in the name of S.Lakshmi			28.00	11.03.2013	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	340 sq. Yards	14/2				
15	Vacant land at Mouzananda,Kamptee, Nagpur,M.H in the name of Power Mech Projects Ltd.			15.40	02.10.2012	Amitabh Belekar (Approved Valuer)
	Extent	Survey No.				
	5.09 acres (2.06 Hectors)	Kh No.181/1				
16	Industrial plots at Plot No.15 to 25, Tunda Village,sriacha-kandagara Road, Mundra Taluka, Kutch Dist., Gujarat in the name of Power Mech Projects Ltd.			7.70	11.10.2012	Best Appraisal Consultants
	Extent	Survey No.				
	1640.97 sq Mtrs.	Plot No:15 to 25 (Sy. No.48/1)				
17	Building at H.No.1-98/5/5/13,Plot No.77, Jublee Enclave ,Opp: Hytex, Madhapur, Hyderabad in the name of Power Mech Projects Ltd.			52.60	20.01.2013	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	25000 sft.	66 & 67				
18	Building at Flat No.401,4th floor, Sri Sai Avenue, D.No.26/1/1766/K/17,Srinagar Colony, Nellore in the name of Power Mech Projects Ltd.			4.00	01.07.2012	D.Venkata Reddy (SBH Panel Valuer)
	Extent	Survey No.				
	1381 sq ft	Survey No.682/1(Nellore City, Kondayapalem No.81,82,83)				
19	Building at Flat No.F-1607,16th Floor , Type-7, Block-F,Jaipuria Sunrise Greens, Ahinsa Khand Indirapuram,Ghaziabad, New Delhi in the name of Power Mech Projects Ltd.			5.00	Value as per sale Deed	--

Facility	Details of Security	Owned by	Type of charge	Value (Rs. In Millionss)	Date of Valuation	Basis of Valuation
	Extent	Survey No.				
	1282 sq.ft.	Ward/ Pargana:049/0571				
20	Security Against hypothecitation of Stocks	Equitable Mortage of property belonging to Chairman of Hyrdo Magus Private Limited				
21	Residential Land along with Galvalume sheet roof sheds being utilized for commercial (Material storage sheds) purpose (Located at Patamata, Krishna Dist.,)			35.15	08.04.2014	M. Nagaraju, (SBH Panel Valuer)
	Extent	Survey No./D.No				
	1406 Sq Yds	R.SNo.15 4/1, 157/A & 157/B, Plot Nos. 108, 109 & 110, D.No.2-34/1, Assmt No.6508, L.P.No.8/98				

ANNEXURE – XIX : RESTATED SUMMARY STATEMENT OF TRADE PAYABLES

(Rs. In Millions)

Particulars	Non-current					Current				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Dues to : Small and Micro Enterprises (Refer Note below)	-	-	-	-	-	56.47	-	-	-	-
: Other than Small and Micro Enterprises	-	-	-	-	-	2,164.99	1,876.23	1,460.85	677.90	495.16
Total	-	-	-	-	-	2,221.46	**1,876.23**	**1,460.85**	**677.90**	**495.16**

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on and to the extent of information obtained during the year 2014-15 and available with the parent company, with regard to the status of their suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT), on which the auditors have relied, the disclosure requirement with regard to the payment made/ due to Micro, Small and Medium Enterprises are given below.

(Rs. in Millions)

PARTICULARS	As at March 31,				
	2015	2014	2013	2012	2011
1. Amount remaining unpaid, beyond the appointed /					
agreed day at the end of the year					
(a) Principal amount of bills to be paid	23.83	-	-	-	-
(b) Interest due there on	1.81				
2. (a) Payment made to suppliers, during the year,					
but beyond appointed / agreed date					
Interest there on in terms of Sec 16 of the Act	-	-	-	-	-
(b) Interest paid along with such payments					
during the year	-	-	-	-	-
(c) Interest due and payable at the end of the					
year on such payments made during the year.	-	-	-	-	-
3. Amount of Interest for the year u/s 16 of the Act.					
Accrued and remaining un paid at the end of the					

PARTICULARS	As at March 31,				
	2015	2014	2013	2012	2011
year	1.81	-	-	-	-
4. Total amount of interest u/s 16 of the Act. Including					
that arising in earlier years, accrued and					
remaining unpaid at end of the year	1.81				

ANNEXURE – XVII : RESTATED SUMMARY STATEMENT OF PROVISIONS

(Rs. In Millions)

Particulars	LONG TERM					SHORT TERM				
	As at March 31,						As at March 31,			
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
a) Provision for employee benefits										
- Group gratuity (Net of plan assets)	-	-	-	-	-	0.93	1.28	0.06	1.86	0.53
- Leave Encashment (Unfunded)	1.92	-	-	-	-	5.08	5.04	2.73	4.14	1.88
b) Provision for Income-tax	-	-	-	-	-	1,252.38	871.12	750.28	500.51	258.00
c) Proposed Equity dividend	-	-	-	-	-	12.58	16.41	10.75	10.75	16.13
d) Provision for tax on equity dividend	-	-	-	-	-	2.56	1.49	1.83	1.74	2.62
e) Provision for Dividend on Preference shares	-	-	-	-	-	-	-	-	-	2.00
f) Provision for Tax on distributed profits on Preference dividend	-	-	-	-	-	0.31	-	-	-	0.33
Provision for Fringe benefit tax	-	-	-	-	-	-	-	-	-	-
Provision for Interim Dividend on Equity and Preference shares	-	-	-	-	-	-	-	-	-	-
Total	**1.92**	-	-	-		**1,273.84**	**895.34**	**765.65**	**519.00**	**281.49**

Disclosure pursuant to requirements of AS-15 "Employee Benefits"

(Rs. in Millions)

Particulars	**As at March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
Defined Benefit Plan: Group Gratuity					
Expenses recognised in Profit and Loss Account:					
Current service cost	4.97	4.97	4.05	2.56	1.98
Interest cost	2.05	1.50	1.17	0.78	0.55
Expected return on plan assets	(2.45)	(1.89)	(1.48)	1.01	0.69
Net actuarial (gain)/loss	0.81	0.75	(0.89)	1.68	0.38
Past Service Cost	--	--	--	--	--
Net expense recognised in statement of P&L	5.38	5.33	2.84	4.02	2.22
Reconciliation of Fair value of plan assets:					
Assets at the beginning of the year	24.36	18.70	12.71	9.27	6.14
Contributions	5.73	4.11	4.64	2.69	2.43
Actual return on plan assets	2.45	1.89	1.48	1.01	0.69
Benefits paid	(0.15)	(0.34)	(0.13)	0.26	--
Assets at the end of the year	32.39	24.36	18.70	12.71	9.27
Reconciliation of changes in present value of defined benefit obligations:					
PV of obligation at the beginning of the year	25.64	18.76	14.57	9.80	6.89
Current service cost	4.97	4.97	4.05	2.56	1.98
Interest cost	2.05	1.50	1.17	0.78	0.55
Benefits paid	(0.15)	(0.34)	(0.13)	0.26	--
Actuarial (gain)/loss	0.81	0.75	(0.89)	1.68	0.38
PV of obligation at the end of the year	33.32	25.64	18.76	14.57	9.80
Net liability recognized in the balance sheet:					
PV of obligation at the end of the year	33.32	25.64	18.76	14.57	9.80
Assets at end of the year	32.39	24.36	18.70	12.71	9.27
Funded status	0.93	1.28	0.06	1.86	0.53
Net liability recognized in balance sheet	0.93	1.28	0.06	1.86	0.53
Actuarial assumptions:					
Discount rate	8%	8%	8%	8%	8%
Salary escalation	7%	7%	7%	7%	7%

Disclosure pursuant to requirements of AS-15 "Employee Benefits"

(Rs. in Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Defined Benefit Plan: Leave encashment					
Expenses recognised in Profit and Loss Account:					
Current service cost	0.60	--	--	--	--
Interest cost	--	--	--	--	--
Expected return on plan assets	--	--	--	--	--
Net actuarial (gain)/loss	1.42	--	--	--	--
Past Service Cost	--	--	--	--	--
Net expense recognised in statement of P&L	2.02	--	--	--	--
Reconciliation of Fair value of plan assets:					
Assets at the beginning of the year	--	--	--	--	--
Contributions	--	--	--	--	--
Actual return on plan assets	--	--	--	--	--
Benefits paid	--	--	--	--	--
Assets at the end of the year	--	--	--	--	--
Reconciliation of changes in present value of defined benefit obligations:					
PV of obligation at the beginning of the year	--	--	--	--	--
Current service cost	0.60	--	--	--	--
Interest cost	--	--	--	--	--
Benefits paid	--	--	--	--	--
Actuarial (gain)/loss	1.42	--	--	--	--
PV of obligation at the end of the year	2.02	--	--	--	--
Net liability recognized in the balance sheet:					
PV of obligation at the end of the year	2.02	--	--	--	--
Assets at end of the year	--	--	--	--	--
Funded status	--	--	--	--	--
Net liability recognized in balance sheet	2.02	--	--	--	--
Actuarial assumptions:					
Discount rate	8%	--	--	--	--
Salary escalation	6%	--	--	--	--

ANNEXURE – XX :RESTATED SUMMARY

A. STATEMENT OF FIXED ASSETS

(Rs. In Millions)

Name of the asset	As on 31.03.2015			As on 31.03.2014			As on 31.03.2013		
	Gross cost	Accu. deprn.	Closing WDV	Gross cost	Accu. deprn.	Closing WDV	Gross Cost	Accu. deprn.	Closing WDV
Tangible assets:									
Land	30.74	-	30.74	25.28	-	25.28	24.18	-	24.18
Lease Hold Land	20.36	0.25	20.11	20.36	-	20.36	-	-	-
Office buildings	136.60	17.31	119.29	133.19	10.82	122.37	68.25	6.81	61.44
Plant and machinery	498.36	296.17	202.19	423.23	229.02	194.21	369.55	166.36	206.19
Furniture and fittings	38.50	26.48	12.02	27.56	18.61	8.95	21.28	12.62	8.66
Computers	43.27	24.75	18.52	30.96	18.00	12.96	25.23	12.55	12.68
Office equipments	82.75	46.41	36.34	63.06	31.29	31.77	49.09	19.56	29.53
Motor cars and jeeps	163.92	82.88	81.04	133.75	61.24	72.51	112.33	46.25	66.08
Vehicles	1,912.96	692.99	1,219.97	1,732.28	546.81	1,185.47	1,635.31	410.57	1,224.74
Temporary sheds	468.78	410.63	58.15	395.65	324.61	71.04	305.07	248.55	56.52
Total -A	**3,396.24**	**1,597.87**	**1,798.37**	**2,985.32**	**1,240.40**	**1,744.92**	**2,610.29**	**923.27**	**1,687.02**
Intangible assets:									
Power Mech Brand	0.02	0.01	0.01	0.02	0.01	0.01	0.02	0.01	0.01
Computer Software	18.82	7.78	11.04	17.37	4.33	13.04	13.51	1.53	11.98
Goodwill	22.72	-	22.72	22.66	-	22.66	-	-	-
Total -B	41.56	7.79	33.77	**40.05**	**4.34**	**35.71**	**13.53**	**1.54**	**11.99**
Grand Total (A+B)	**3,437.80**	**1,605.66**	**1,832.14**	**3,025.37**	**1,244.74**	**1,780.63**	**2,623.82**	**924.81**	**1,699.01**

(Rs. in Millions)

Name of the asset	As on 31.03.2012			As on 31.03.2011		
	Gross cost	Accu. deprn.	Closing WDV	Gross Cost	Accu. deprn.	Closing WDV
Tangible assets:						
Land	15.47	-	15.47	2.25	-	2.25
Lease Hold Land	-	-	-	-	-	-
Office buildings	58.54	3.74	54.80	18.72	1.90	16.82
Plant and machinery	262.07	113.64	148.43	189.60	76.09	113.51
Furniture and fittings	17.56	8.06	9.50	12.92	4.10	8.82
Computers	20.69	7.97	12.72	12.63	4.63	8.00
Office equipments	38.68	9.80	28.88	17.41	3.64	13.77
Motor cars and jeeps	92.86	31.93	60.93	60.23	19.53	40.70
Vehicles	1,566.76	275.06	1,291.70	1,118.89	159.71	959.18
Temporary sheds	216.47	142.48	73.99	112.64	60.64	52.00
Total-A	**2,289.10**	**592.68**	**1,696.42**	**1,545.29**	**330.24**	**1,215.05**
Intangible assets:						
Power Mech Brand	0.02	0.01	0.01	0.01	-	0.01
Computer Software	0.25	-	0.25	-	-	-
Goodwill	-	-	-	-	-	-
Total-B	**0.27**	**0.01**	**0.26**	**0.01**	**-**	**0.01**
Grand total (A+B)	**2,289.37**	**592.69**	**1,696.68**	**1,545.30**	**330.24**	**1,215.06**

B. CAPITAL WORK-IN-PROGRESS:

(Rs. In Millions)

Particulars	As at March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
Tangible Assets:					
Land	-	1.75			
Office buildings	71.60	-	28.28	0.86	28.27
Plant and machinery	6.64	-	0.40	5.65	2.73
Furniture and fittings	-	1.57	0.46	-	
Computers	-	-	-	-	
Office equipments	0.09	0.08	0.03	-	
Motor cars and jeeps		1.96	-	-	
Vehicles	26.97	3.44	-	-	
Temporary sheds	57.69	58.95	40.26	23.86	9.94
Total (a)	**162.99**	**67.75**	**69.43**	**30.37**	**40.94**
InTangible Assets:					
Computer Software	--	--	--	5.25	--
Total (b)	**--**	**--**	**--**	**5.25**	**--**
Total Capital Work in Progress (a+b)	**162.99**	**67.75**	**69.43**	**35.62**	**40.94**

ANNEXURE – XXI : RESTATED SUMMARY STATEMENT OF INVESTMENTS

(Rs. In Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
(a) (i) Trade – Quoted					
Investments in Equity instruments of					
Reliance Power Limited	0.007	0.007	0.007	0.007	0.007
(ii) Non Trade – Quoted					
(a) Investment in Equity Instruments					
of Assam Company Limited	0.011	0.011	0.011	0.011	0.011
(b) Investment in Mutual Funds					
-SBI Infrastructure Bonds	0.200	0.200	0.200	0.200	0.200
Total (i + ii)	0.218	0.218	0.218	0.218	0.218
Provision for diminution in value of Investments	0.016	0.063	0.070	0.058	0.024
Total Quoted Investments	0.202	0.155	0.148	0.160	0.194
Aggregate amount of Quoted Investments – at Cost	0.218	0.218	0.218	0.218	0.218
Aggregate amount of Quoted Investments – at Market Price	0.202	0.155	0.148	0.160	0.194
Aggregate Provision for diminution in value of Investments	0.016	0.063	0.070	0.058	0.024

ANNEXURE – XXII : RESTATED SUMMARY STATEMENT OF LOANS AND ADVANCES

(Rs. in Millions)

Particulars	Long-term loans and advances					Short-term loans and advances				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Unsecured, considered good										
Advances for capital goods	25.15	2.58	3.86	2.18	25.59	-	-	-	-	-
Advances to creditors against supplies	-	-	-	-	-	192.76	180.63	182.65	143.47	20.95
Advances to sub-contractors against works	-	-	-	-	-	1,088.78	814.03	284.66	189.56	19.12
EMD with customers	15.22	13.77	8.44	7.25	6.37	2.38	4.90	-	-	-
Advances recoverable in cash or in kind or for value to be received										
Prepaid expenses	-	-	-	-	-	22.02	19.74	14.69	12.88	11.36
Employee related advances	-	-	-	-	-	12.69	13.19	13.59	6.99	6.87
Security deposits with govt. authorities and others	36.76	25.78	19.46	15.47	9.84	-	-	-	-	-
Balances with statutory authorities										
CENVAT credit receivable	-	-	-	-	-	29.52	10.48	14.03	21.96	31.79
Works contract tax (TDS)	-	-	-	-	-	55.15	69.50	42.74	27.01	17.15
Sales Tax Refund Receivable	-	-	-	-	-	6.30	3.49	2.28	-	-
Advance Income Tax and TDS	-	-	-	-	-	1,199.09	822.17	745.77	487.08	265.97
Others	-	-	-	-	-	4.38	3.84	2.12	4.76	1.99
Advances to Promoters, KMP, and Related parties Advance given to S. Lakshmi (Relative of Key Management Personnel)	-	-	-	-	-	-	-	1.00	-	-
Total	**77.13**	**42.13**	**31.76**	**24.90**	**41.80**	**2,613.07**	**1,941.97**	**1,303.53**	**893.71**	**375.20**

Note: Works Contract Tax(TDS) represent works contract tax deducted by the customers under local sales tax laws and management is opinion that there is no sales tax liability in respect of works carried out and hence claimed as refund due from sales tax department.

ANNEXURE – XXIII : RESTATED SUMMARY STATEMENT OF OTHER ASSETS

(Rs. in Millions)

Particulars	Non-current assets					Current assets				
	As at March 31,					As at March 31,				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Unsecured, considered good										
Retention money and security deposit with customers	1,566.08	1,652.38	911.80	688.12	614.46	702.63	235.64	426.78	248.53	186.97
Mobilisation advances to sub-contracts	-	36.10	37.86	75.46	11.07	33.34	45.10	48.63	39.19	49.93
Contract expenses in respect of projects to be executed	-	-	-	-	-	10.04	-	-	9.30	-
Uncertified revenue	-	-	-	-	-	1,697.84	1,332.19	590.10	-	-
Preliminary expenses	0.02	0.02	-	-	-	-	1.42	-	-	-
Pre operative expenses	-	-	-	-	-	-	-	1.54	1.78	0.42
Deposits with customers	-	-	-	-	-	-	0.51	-	-	-
Advance to MAS Power Mech Arabia towards expenses (Subsidiary company to be incorporated)	-	-	-	-	-	4.29	-	-	-	-
Advance to Power Mech CPNED for expenses (A Joint venture company to be incorporated)	-	-	-	-	-	1.49	-	-	-	-
IPO expenses	-	-	-	-	-	16.98	-	-	-	-
Total	**1,566.10**	**1,688.50**	**949.66**	**763.58**	**625.53**	**2,466.61**	**1614.86**	**1,067.05**	**298.80**	**237.32**

Note:1 Uncertified revenue represents that portion of work which was completed but pending for certification by the customer as on date of Balance sheet which is recognized as revenue and included in contract receipts.

2 The bifurcation of RM/ SD with customers between current and non current is made based on the terms of contract, time schedule in the execution of work orders, fulfilment of conditions for release of RM/ SD and based on estimates and certified by the management.

ANNEXURE – XXIV : RESTATED SUMMARY OF INVENTORY

(Rs. in Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Stores & Spares	301.54	230.08	192.49	109.32	69.21
Capital Stores - Construction Material	14.05	-	-	-	-
Construction Work-in-progress	5.33	12.91	-	1.24	8.57
Total	**320.92**	**242.99**	**192.49**	**110.56**	**77.78**

ANNEXURE – XXV : RESTATED SUMMARY STATEMENT OF TRADE RECEIVABLES

(Rs. in Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Unsecured, Considered Good					
Outstanding for a period exceeding six months	341.25	102.54	77.54	1.46	-
Others	1,612.40	1,389.90	1,692.72	1,474.25	732.07
Total	**1,953.65**	**1,492.44**	**1,770.26**	**1,475.71**	**732.07**

Note: The above receivables does not include any amount due from Related parties/Concerns.

ANNEXURE – XXVI : RESTATED SUMMARY STATEMENT OF CASH & CASH EQUIVALENTS

(Rs. in Millions)

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Cash in Hand	3.06	1.53	2.05	1.25	1.84
Cash Equivalents					
i. Balances with Banks					
d) Earmarked Balances with banks held as margin moneyagainst LC and guarntees	562.73	578.36	471.67	402.38	381.85
e) Earmarked balances with banks towards unclaimed dividends	0.17	0.05	0.12	0.04	--
f) In current accounts	112.33	108.48	93.38	16.75	41.77
Total	**678.29**	**688.42**	**567.22**	**420.42**	**425.46**

Note: None of the above fixed deposits had original maturity period of less than 3 months that meet the definition of Cash and Cash Equivalents as defined under AS – 3 “Cash Flow Statements.”

ANNEXURE – XXVII : RESTATED SUMMARY STATEMENT OF REVENUE

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Contract receipts:					
Erection works	9,102.04	8,906.18	7,421.35	5,878.46	4,543.31
Operation and Maintenance	2,764.75	1,388.71	756.34	424.37	269.43
Civil works	1,749.26	1,659.45	1,099.37	697.23	102.99
Supplies of Goods	33.90	-	-	-	-
Other Operating Revenue:					
Crane hire charges received	12.28	48.37	80.89	50.48	2.41
Total	**13,662.23**	**12,002.71**	**9,357.95**	**7,050.54**	**4,918.14**

ANNEXURE – XXVIII : RESTATED SUMMARY STATEMENT OF COST OF MATERIALS CONSUMED

(Rs. In Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Opening Stock	230.08	192.49	109.32	69.21	39.12
Add: Purchases of electrodes, gases & other consumables	841.50	827.74	729.94	587.38	329.19
Less: Closing Stock	301.54	230.08	192.49	109.32	69.21
Total	**770.04**	**790.15**	**646.77**	**547.27**	**299.10**

ANNEXURE – XXIX : RESTATED SUMMARY STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRES AND STOCK IN TRADE

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Opening Work in Progress	12.91	-	1.24	8.57	8.52
Closing Work in Progress	5.33	12.91	-	1.24	8.57
Decrease / (Increase) in Work in Progress	**7.58**	**(12.91)**	**1.24**	**7.33**	**(0.05)**

ANNEXURE – XXX: RESTATED SUMMARY STATEMENT OF CONTRACT EXECUTION EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Sub-contract expenses	8,923.61	7,821.81	6,224.95	4,368.54	3,192.15
Radiography charges	103.24	79.54	52.35	44.00	30.17
Equipment hire charges	194.03	82.94	72.21	36.58	27.71
Rent at Project sites	80.58	55.56	41.69	32.39	22.60
Power and fuel	48.63	57.90	39.09	30.66	24.53
Insurance	16.23	14.06	9.03	8.22	4.03
Vehicles movement and other freight expenses	103.89	60.71	68.01	73.86	38.88
Repairs and Maintenance					
Plant and machinery	60.02	40.53	27.08	14.48	5.64
Others	23.09	11.98	12.48	9.83	7.26
Fuel and vehicle Maintenance	201.18	170.93	136.32	150.43	71.35
Travelling expenses at projects	45.65	31.13	19.90	17.16	15.10
Royalty paid	-	7.00	19.81	8.64	15.56
Total	**9,800.15**	**8,434.09**	**6,722.92**	**4,794.79**	**3,454.98**

ANNEXURE – XXXI : RESTATED SUMMARY STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Salaries and wages	900.50	860.78	473.61	343.49	254.97
Contribution to provident and other funds including gratuity	40.90	37.19	35.81	36.45	17.35
Staff welfare expenses	260.36	193.92	158.89	118.28	79.51
Total	**1,201.76**	**1,091.89**	**668.31**	**498.22**	**351.83**

ANNEXURE – XXXII : RESTATED SUMMARY STATEMENT OF FINANCE COST

(Rs in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Interest expense	246.31	190.96	123.21	90.09	62.44
Bank charges and BG commission	29.35	26.22	22.17	15.82	11.69
Loan Processing charges	12.08	9.45	6.02	4.79	6.35
Exchange fluctuations on deferred credit payment	6.56	39.51	16.52	19.50	0.88
Total	**294.30**	**266.14**	**167.92**	**130.20**	**81.36**

ANNEXURE – XXXIII: RESTATED STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSES

(Rs in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Depreciation	364.32	325.63	334.23	262.70	144.42
Amortization	3.46	2.80	1.54	0.01	0.01
Total	**367.78**	**328.43**	**335.77**	**262.71**	**144.43**

Refer note given under Accounting policies on depreciation regarding the useful lives adopted by the company for computing deprecation.

ANNEXURE – XXXIV : RESTATED SUMMARY STATEMENT OF OTHER EXPENSES

(Rs. in Millions)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Rent – office	12.37	8.54	5.29	4.10	2.38
Director's sitting fees	1.14	0.12	0.13	0.05	0.03
Donations	0.26	7.36	5.05	3.35	1.61
Payments to auditors:	-	-	-	-	-
Towards Statutory audit	1.08	0.90	0.78	0.48	0.35
Towards tax audit and taxation matters	0.10	0.10	0.08	0.03	0.03
Rates and taxes	63.87	33.91	14.26	12.85	7.63
Miscellaneous expenses	125.35	85.93	68.01	47.52	35.11
Provision for CSR Expenses	5.70	-	-	-	-
Loss on sale of assets	0.20	0.23	-	0.05	-
Difference in foreign exchange fluctuations	-	-	-	-	-
Irrecoverable advances written off	-	4.06	-	-	-
Registration expenses	-	0.18	0.66	-	-
Pre operative expenses written off	1.41	2.98	0.37	-	-
Preliminary expenses	-	0.05	-	-	-
Business promotion expenses	1.21	1.38	0.80	-	-
Travel & visa expenses	-	-	1.40	-	-
Provision for diminution in value of investments	-	-	0.01	0.03	0.01
Total	**212.69**	**145.74**	**96.84**	**68.46**	**47.15**

Break-up for Miscellaneous Expenses:

(Rs. in Millions)

Particulars	For the year ended March 31.				
	2015	**2014**	**2013**	**2012**	**2011**
Internal audit fee	1.25	1.06	0.80	0.63	0.40
Business promotion expenses	1.06	1.37	0.81	2.38	1.34
Professional charges	4.40	5.27	1.83	0.15	0.50
ROC filing fees	0.18	0.02	0.03	0.06	0.11
Travelling and conveyance	42.43	26.49	24.90	15.18	9.70
Electrical Maintenance	0.49	0.39	0.66	0.75	0.24
Consultancy charges	13.46	3.30	3.06	2.20	3.98
Advertisement	0.40	1.18	1.73	0.49	0.18
Tender Expenses	1.59	0.43	0.56	0.28	0.31
Books and Periodicals	0.22	0.14	0.31	0.10	0.06
Cars Maintenance	1.16	1.44	3.73	2.61	1.85
Sundry expenses	11.69	6.91	0.30	0.45	0.25
Postage and Telegram	5.61	7.52	4.24	1.48	0.76
Printing and Stationery	11.25	8.34	7.28	6.82	5.32
Telephone and fax	30.18	22.07	17.77	13.94	10.11
Office & Guest House Expenses	0.28	-	-	-	-
Total	**125.35**	**85.93**	**68.01**	**47.52**	**35.11**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Consolidated Financial Statements as of and for the years ended March 31, 2011, 2012, 2013 and 2014 and 2015, prepared in accordance with the Companies Act, Indian GAAP and the SEBI ICDR Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled "Financial Statements" beginning on Page 198. Unless otherwise stated, the financial information used in this section is derived from the Restated Consolidated Financial Statements of the Company.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

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 16.

In this section, unless the context otherwise requires, a reference to the "Company" is a reference to Power Mech Projects Limited and a reference to "we", "us" and "our" refers to Power Mech Projects Limited and its subsidiaries on a consolidated basis.

Overview

We are an integrated power infrastructure services company in India providing comprehensive erection, testing and commissioning of boilers, turbines and generators (ETC-BTG) and balance of plant (BOP) works, civil works and operation and maintenance (O&M) services. Our operations include three principal business lines: (i) Erection Works; (ii) Operation & Maintenance Services; and (iii) Civil Works.

Erection Works. Our Erection Works business includes erection, testing and commissioning of boilers, turbines and generators and BOP works for the power sector as well as other allied industries including petrochemicals, steel and cement. In fiscal 2012, 2013, 2014 and 2015, revenues from our Erection Works business was ₹ 5,878.46 million, ₹ 7,421.35 million, ₹ 8,906.18 million and ₹ 9,102.04 million, respectively, representing 83.38%, 79.31%, 74.20% and 66.62%, respectively, of our total revenue from operations in such periods. As of June 30, 2015, we had been engaged on more than 100 Erection Works projects (completed and ongoing projects) across India and in four international jurisdictions, including two ultra-mega power projects (UMPPs) and 16 super-critical power projects with unit capacities ranging from 150 MW up to 800 MW. We also provide erection works services to gas and combined cycle power projects, heat recovery steam generator (HRSG), waste heat recovery boilers (WHRB), circulating fluidized bed combustion (CFBC) boilers, steam turbine generators (STG), electrostatic precipitators (ESPs), hydro turbines, BOP packages, including structural steel works, ash handling, coal handling, fuel oil systems and high-pressure piping works.

Operation and Maintenance Services. Our Operation and Maintenance Services business includes annual maintenance contracts (AMCs), other repairs, renovation and modernisation (R&M), residual life assessment (RLA), scheduled shutdowns, retro-fits, as well as overhauling, maintenance and upgradation services for power plants. Since commencement of our O&M business in 1999, we have been engaged on more than 400 O&M contracts as of June 30, 2015. We provide comprehensive O&M services, principally for power projects, in India and internationally. We have provided O&M services for various projects in the Middle East, North Africa, South Asia and South America. In fiscal 2012, 2013, 2014 and 2015, revenues from our O&M Services business was ₹ 424.37 million, ₹ 756.34 million, ₹ 1,388.71 million and ₹ 2,764.75 million, respectively, representing 6.02%, 8.08%, 11.57% and 20.24%, respectively, of our total revenue from operations in such periods. We are an AMC services provider for power plants in India and expect this business to grow significantly as a result of the significant increase in the installed base of IPPs in India in recent years. We carried out our first AMC project in 2004 and our revenue from AMC services was ₹ 47.93 million, ₹ 208.53 million, ₹ 595.16 million and ₹ 1,541.73 million in fiscal 2012, 2013, 2014 and 2015, respectively. As of June 30, 2015, we were engaged on 23 AMC services for power plants across India with an aggregate unit capacity of 32,835 MW. We carried out the overhauling of a super-critical 660 MW turbine and provided AMC services for an ultra-mega power project.

In order to provide comprehensive O&M solutions, we have entered into a joint venture agreement dated December 1, 2014, with Chengdu Pengrun New Energy Development Company Limited (Chengdu), a company registered under PRC laws, to establish a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. For further information, see *"History and Corporate Structure"* on Page 161. In addition, we are in the process of setting up a large heavy engineering facility at Noida for non-critical equipment and spare parts. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

Civil Works. Our Civil Works business commenced in fiscal 2011 and provides various civil and construction jobs for the main plant and BOP requirements including excavation, piling, concreting, architectural and building works. In fiscal 2012, 2013, 2014 and 2015, revenues from our Civil Works business was ₹ 697.23 million, ₹ 1,099.37 million, ₹ 1,659.45 million and ₹ 1,749.26 million, respectively, representing 9.89%, 11.75%, 13.83% and 12.80%, respectively, of our total revenue from operations in such periods.

In addition to our extensive experience on thermal power projects in India, we have, through our subsidiary Hydro Magus, increased our strategic focus on providing renovation, modernization, upgradation and installation services for hydropower projects, including re-engineering of high-efficiency turbine runners and hydro-generators as well as the design, supply, erection, testing and commissioning of hydro-turbines and hydro-generators. We continue to explore strategic partnerships with international equipment suppliers for hydropower projects to jointly bid for new hydropower projects as well as renovation and maintenance works for hydropower projects.

Our aggregate Order Book as of March 31, 2015 was ₹ 34,062.68 million, comprising Order Book in the Erection Works, O&M Services and Civil Works businesses of ₹ 23,028.66 million, ₹ 5,904.28 million and ₹ 5,129.74 million, respectively. Our Order Book information is only indicative of future revenues and you should not place undue reliance on such information in making an investment decision. For further information on our Order Book, see *"Our Business - Order Book"* on Page 142.

We believe our significant experience and execution capabilities have enabled us to develop firm relationships with various private sector clients as well as public sector undertakings. We have established long-term relationships with various major EPC companies and power utilities. We have worked on various projects for Bharat Heavy Electricals Limited, NTPC Limited, Doosan Power Systems India Private Limited, Adani Power Limited, Larsen & Toubro Limited-Thermal Power Plant Construction BU, Thermal Powertech Corporation India Limited, GE Power Services (India) Private Limited, CLP India Private Limited, BGR Energy Systems Limited, Thermax Engineering Construction Co. Limited, SEW Infrastructure Limited, KSK – Arasmeta Captive Power Company Limited , KSK - VS Lignite Power Private Limited, KSK –Mahanadi Power Company Limited, Abir Infrastructure Private Limited, Siemens Limited, Jindal India Thermal Power Limited and Reliance Infrastructure Limited.

We have an established track record of executing ETC-BTG and BOP works, civil and structural works, and a wide range of maintenance services projects for large power plants including 800 MW unit capacity super-critical power plants. In fiscal 2015, we executed Erection Works contracts of aggregate tonnage of approximately 355,000 metric tonnes. According to the Central Electricity Authority, in fiscal 2011 through fiscal 2015, the aggregate thermal power plant capacity addition in India was approximately 88,048 MW. In the same period, we were engaged on ETC-BTG and BOP Works aggregating 33,801 MW..

In addition to our corporate headquarters in Hyderabad, we have established four regional offices across India, in Ghaziabad (NCR), Nagpur, Mumbai and Kolkata that enable us to effectively coordinate ongoing projects and customer relationships. In addition to our operations in India, we have also executed various international power projects in the Middle East, North Africa, South Asia and South America. In fiscal 2014 and 2015, 6.43% and 6.23%, of the Company's total revenue from operations (on a standalone basis) was generated from projects executed outside India. We continue to focus on expanding our international operations and have set up a branch office in Abu Dhabi to focus on power projects in the Middle East and Africa. In addition, we have also set up a branch in Bangladesh to execute an ETC-BTG works project. We also intend to leverage our experience and credentials in the power sector to expand our infrastructure related service offerings to projects in the petrochemicals, steel and cement industries.

We have developed a significant equipment base including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, boom placers, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment which enables us to quickly and effectively mobilise project works. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity.

As of June 30, 2015, we had 2,271 full time employees, of which a large number were qualified engineers. Our technically qualified and experienced employees enable us to effectively manage execution of projects. As of June 30, 2015, we also employed 31,219 contract labourers.

We are committed to following stringent health, safety and environmental policies and practices in the execution of our projects and have received several awards and certifications for our operations and projects from our clients. We have also received quality certifications including, ISO 9001:2008 for quality management systems from International Certification Registrar Limited; OHSAS 18001:2007 from Absolute Quality Certification Private Limited and ISO 14001:2004 for environment management system from Absolute Quality Certification Private Limited. In addition, we have implemented the SAP ERP system at our corporate office and all our project sites enabling strong system control and real time monitoring of projects.

Between fiscal 2011 and 2015, our total income increased at a CAGR of 29.07% from ₹4,944.18 million in fiscal 2011 to ₹13,719.84 million in fiscal 2015. Our total income in fiscal 2012, 2013, 2014 and 2015 was ₹ 7,091.34 million, ₹ 9,404.12 million, ₹ 12,110.83 million and ₹ 13,719.84 million, respectively, while our profit after tax, as restated, in such periods was ₹ 524.10 million, ₹ 511.66 million, ₹ 680.95 million and ₹ 714.04 million, respectively.

Principal Factors Affecting Our Results of Operations

Our business, financial condition and results of operations are affected by a number of factors, including the following:

Our ability to successfully bid for new contracts

Our Erection Works and Civil Works projects, as well as our O&M Services contracts are typically awarded through a competitive bidding process. Pre-qualification is therefore key to our winning major projects and we continue to develop on our pre-qualification status through focused client development efforts and entering into strategic joint partnerships and pre-bid arrangements with other service providers. In selecting contractors for major projects, clients generally limit the tender to contractors (or sub-contractors) they have pre-qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. However, price competitiveness of the bid is typically one of the most important selection criterion. We believe that our long term relationships with various public sector and private sector clients in India and internationally enable us to better understand our clients' requirements and better evaluate the scope of work and risks involved in a project we bid for. We have also worked on various projects with companies such as Thermax Engineering Construction Company Limited and National Thermal Power Corporation Limited for more than four years. For further information, see the sub-section titled *"Our Business – Prequalification"* on Page 144.

The composition of our Order Book and our ability to execute such contracts

Our Order Book, the likelihood of the completion of contracts reflected in our Order Book and the period over which such contracts are likely to be executed, may vary significantly based on the relevant business segment, the nature of services to be provided and various factors that may affect our operations or the time period within which we are able to execute such contracts. Many of these factors may be beyond our control. For further discussion on various factors that may affect the execution of our projects and consequently the realization of our Order Book as of a particular date, see the section titled *"Risk Factors"* beginning on Page 16. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition. In addition, other than relatively stable revenues from our AMCs, there can be no assurance regarding the period in which such Order Book will be realized. In accordance with industry practice, many of our contracts are subject to cancellation, termination or suspension at the discretion of the client at any stage of the contract. In addition, the contracts in our Order Book are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contracts. Even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed. Any delay, cancellation or payment default could adversely affect our cash flow position, revenues and/or profit.

The composition of our Order Book also affects anticipated operating margins relating to such contracts. While most of our historical revenues from operations related to the Erection Works business, we have experienced a significant growth in the demand for our O&M Services business in recent years. Revenues from our O&M Services segment increased from ₹ 269.43 million in fiscal 2011 to ₹ 2,764.75 million in fiscal 2015. O&M contracts, particularly AMC services, typically involve relatively higher margins than our Erection Works projects, where we face significant competition. We expect the relative proportion of our revenues and operating margins from the O&M Services business to increase in future fiscal periods as we increase our focus on higher margin O&M contracts. For further information on our Order Book, see the sub-section titled *"Our Business - Order Book"* on Page 142.

Activity levels in the power sector in India

Our financial results are significantly affected by general economic conditions prevailing in India and in particular by developments in the power sector, including increases in the demand for power and expectations for power-related projects and increased investments in integrated power projects in India. As a result of macroeconomic conditions and the general economic slowdown in India in fiscal 2013 and fiscal 2014, there has been a decrease in the number of power projects being announced or developed in India.

Our projects may be impacted by a wide range of factors including governmental approvals, financing contingencies, commodity prices, investment bottlenecks such as environmental clearances and land acquisition issues, lack of political will to encourage investments and, overall market and economic conditions. During an economic downturn many of our competitors may be more inclined to take greater or unusual risks or terms and conditions in a contract that we might not deem market or acceptable. Additionally during a general slowdown in the market economy there would be reduced investment in these large scale projects. Our results of operations may therefore fluctuate from quarter to quarter and year to year depending on whether and when project awards occur and the commencement and progress of work under awarded contracts.

While we believe that the power sector will continue to be one of the prime driving forces of the Indian economy, the development of the power sector in India has historically been the preserve of the Central and State governments, and has been constrained by various factors such as shortages of public funding, political considerations and issues of transparency and accountability. In order to overcome these constraints, an infrastructure investment program involving both the public and private sectors was developed for the 12th Five-Year Plan and in the past few fiscals we witnessed increased participation by the private sector through public-private partnerships, or PPP projects. The statutory and regulatory framework for the Indian power sector has changed significantly in recent years. It is expected that many of these reforms will take time to be fully implemented. Furthermore, there could be additional changes in the areas of tariff and other policies, the unbundling of GoI owned power utilities, restructuring of companies in the power sector, open access and parallel distribution, and licensing requirements for, and tax incentives applicable to, companies in the power sector.

Success of our international expansion plans and strategic diversification into other sectors

Historically although a substantial majority of our revenues have been from projects executed in India, we also continue to focus on identifying opportunities to bid for and win international projects, including through strategic partnerships with large EPC contractors and power utilities. We intend to leverage our experience and track record of working on complex power projects in India to increase our operations internationally, particularly in the Middle East, North Africa and South Asia. We have been engaged on an ETC-BTG project in Bangladesh and continue to target projects in the Middle East and North Africa. We also continue to actively evaluate opportunities to bid for projects in Sri Lanka, Central Asia and South East Asia. We have established operations in Abu Dhabi to target the growing demand for our services in the Middle East and Africa. In order to provide comprehensive O&M solutions, we entered into a joint venture agreement dated December 1, 2014, with Chengdu to set up a joint venture entity in Hong Kong for manufacturing and distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. For further information, see *"History and Corporate Structure"* on Page 161. We also have a Cooperation Agreement with Shanghai Electric Power Generation Service Co. with respect to repair and overhauling contracts in the power sector in India.

We also intend to leverage our engineering and construction capabilities and our strong track record and experience in ETC-BTG and BOP works, civil and structural works and O&M services in the power sector to strategically diversify into other infrastructure and allied sectors including the petrochemicals, steel and cement industries. We believe that diversifying our service offerings into other infrastructure and allied sectors will enable us to further grow our business operations, reduce the risk of dependency on the power sector and strategically target higher margin opportunities.

The success of our international expansion plans and strategic diversification into new sectors and industries are linked to amongst others, our ability to leverage our existing track record in the power sector to provide cost and operational advantages to our clients. Demand for our services would also depend upon the sustained economic development in the industries and regions that we seek to expand and operate in, applicable government policies as well as competition in our target sectors.

Lump-sum contracts

Some of our projects are performed on a lump-sum contract basis. Under a lump-sum price contract, we agree on the price for the entire project, based upon specific assumptions and scope of work agreed. In the Erection Works business, most of our gas and steam turbine contracts are lump-sum contracts while most contracts in our O&M business, other than AMCs, are usually a combination of lump-sum and item rate contracts. Our expenditure in executing a lump-sum contract may vary substantially from the assumptions underlying our bid for several reasons, including unanticipated changes in engineering design of the project, unanticipated increases in the cost of equipment, material or manpower, delays associated with the delivery of equipment and materials to the project site, 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' failure to perform. Equipment, materials and fuel costs constitute a significant part of our operating expenses, and unanticipated increases in such costs if not taken into account in our bid may adversely affect our results of operations. Our ability to pass on increase in overall material prices may be limited under lump-sum contracts with limited price variation provisions. For further information, see the sub-section titled *"Our Business – Lump-sum Price Contracts and Item Rate Contracts"* on Page 144.

Presentation of Financial Information

The Restated Consolidated Financial Statements included in this Red Herring Prospectus relate to the Company, its subsidiary Hydro Magus Private Limited and its wholly owned subsidiaries Power Mech Industri Private Limited (subsidiary since fiscal 2014 with no commercial operations to date) and Power Mech Overseas Projects FZE (subsidiary from fiscal 2011 and wound up during Fiscal 2014). No significant transactions had been carried out by Power Mech Overseas Projects FZE during its period of existence.

The Restated Consolidated Financial Statements of the Group have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits or losses in accordance with Accounting Standard (AS-21) – "Consolidated Financial Statements" as notified by the Central Government under Companies (Accounting Standards) Rules, 2006.

The Restated Consolidated Financial Statements of the Group have been prepared using uniform accounting policies, for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements. The investments in equity shares of the subsidiary companies have been fully eliminated from the share capital of subsidiary companies and investments in that of the Company. For further information, see our Restated Consolidated Financial Statements included elsewhere in this Red Herring Prospectus.

The Company and its Indian subsidiaries have prepared the financial statements under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles in India. However in case of Power Mech Overseas Projects FZE, incorporated in Sharjah, (subsidiary from fiscal 2011 and wound up during Fiscal 2014), UAE, the financial statements are prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB"), interpretations issued by the international Financial Reporting interpretations Committee ("IFRIC") of the IASB and applicable requirements of the UAE laws. The significant accounting policies are adopted and applied consistently in dealing with items that are considered material in relation to these financial statements. However adoption of said accounting policies and accounting standards does not have any material effect on preparation of consolidated restated financial statements.

In case of the Company and its other Indian subsidiaries, the financial statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956, the pronouncements of ICAI and the relevant provisions of Companies act, 1956.

Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of our financial statements is set out in the notes to the financial statements included elsewhere in this Red Herring Prospectus.

The preparation of our financial statements requires the management of the group companies to make judgments, estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities and commitments. Our Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Examples of such estimates includes computation of physical proportion of work completed to the total quantum of contract work order, provisions required for doubtful debts and advances, future obligation under employee retirement benefit plans, bifurcation of assets and liabilities into current and non-current and useful lives of tangible and intangible fixed assets. The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an ongoing basis. However, future results could differ from these estimates. Any revision to these accounting estimates is recognized prospectively in the current and future periods.

While all aspects of our financial statements should be read and understood in assessing our current and expected financial condition and results of operations, we believe that the following significant accounting policies warrant particular attention.

Revenue Recognition

Revenue recognition policies followed by our Company are in accordance with generally accepted accounting principles and applicable accounting standards in India. Revenue recognition is in accordance with Accounting Standard – 7. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

The company undertakes erection, civil and maintenance contracts and revenue from these contracts is recognized by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work to the extent of work certified by the customer. The portion of the work which was completed, but pending for certification by the customer, is also recognized as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognized as revenue only when the customer accepts the same. Provision for expected loss is recognized immediately when it is probable that the total estimated cost will exceed total contract revenue.

The contracts receipts are exclusive of service tax.

Revenue from sale of products is recognised when the risks and rewards of ownership are transferred to the buyer under the terms of the contract usually on the dispatch of goods to the customer.

Interest on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest when no significant uncertainty as to measurability or collectability exists. Revenue from sale of assets are recognised upon delivery, which is when title passes to the customer.

Dividend income is accounted for in the year in which the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Tangible Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation, and impairment loss, if any. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, the cost of installation/erection and other incidental expenses incurred to bring the asset to its present location and condition but exclusive of duties and taxes that are subsequently recoverable from taxing authorities. Capital work-in-progress are stated at the amount expended up to the date of balance sheet.

Intangible Assets

Intangible assets are recorded at the consideration paid for acquisition of such asset and stated at cost less accumulated amortisation and impairment.

Depreciation and Amortization

Depreciation on tangible assets is provided under the straight-line method over the useful lives of the assets estimated by the management of the company during fiscal 2013 which are different from the useful lives as prescribed in Schedule –II of the Companies Act, 2013 which is effective from 1.4.2014. The management based on internal assessment and independent technical evaluation carried out by external valuers, believes that the useful lives given below best represent the period over which the management expects to use these assets. Such estimation is made based on the past experience and working conditions in which assets are put to usage.

The management estimates the useful lives for the fixed assets as follows.

Name of the asset	Estimated useful lives in years
Office buildings	20
Plant and machinery	5
Furniture and fixtures	5
Computers	4
Office equipment	5
Vehicles	5
Cranes	12.5
Mobile Phones	1

Individual assets costing up to Rs. 5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during a year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be. Intangible assets, comprising of expenditure on computer software, incurred are amortised on a straight line method over a period of five years.

Impairment of Assets

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

Inventories

Stores and consumables are valued at lower of cost or net realizable value.

Contracts in progress and not due for billing to the customer as on date of balance sheet are valued at agreed contract price.

Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilization expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of Accounting Standard 7.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for: (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company; or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Company does not recognise contingent liabilities but the same are disclosed in the notes to our Restated Consolidated Financial Statements included in this Red Herring Prospectus.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

Changes in Accounting Policies

Accounting for Depreciation and Amortization

Until fiscal 2012, the Company accounted for depreciation and amortization of fixed assets in accordance with the written down value method at the rates specified in Schedule XIV of the Companies Act, 1956. During fiscal 2013, the Company changed the method of accounting for depreciation and amortization to the straight-line method by applying the rates based on estimated useful life of the assets as determined by the management.

Income and Expenditure Overview

Income

Our total income consists of revenue from operations and other income.

Revenue from Operations

Our revenue from operations comprise revenues from our (i) Erection Works business; (ii) O&M Services business; and (iii) Civil Works business; and (iv) other operating revenue from crane hire charges.

Contract Receipts

Erection Works. Under this business, we include revenues from various erection, testing and commissioning of boilers, turbines and generators (ETC-BTG) and balance of plant (BOP) works. A substantial majority of our revenues are from projects in the Erection Works business, and are recognized on the percentage of completion method, measured with reference to actual completion of physical proportion of the work to the extent of work certified by the client. The portion of the work completed but pending certification by the client is also recognized as revenue by treating such revenue as unbilled revenue. Any claims, variations and incentives is recognized as revenue only when the client accepts the same. Provision for expected loss is recognized immediately when it is probable that the total estimated cost will exceed total contract revenue.

O&M Services. Under this business, we include revenues from annual maintenance contracts (AMCs), repairs and maintenance (R&M) and overhauling and maintenance (OHM) services provided to power plants. Revenue from projects in the O&M Services segment is also recognised on the percentage of completion method.

Civil Works. Our projects in the Civil Works business include various civil, structural and construction works ancillary to the Erection Works projects including piling, foundation laying, turbine/generator deck and super structures, fabrication and erection of structures and main plant bay. Revenue from projects in the Civil Works segment is also recognised on the percentage of completion method.

Supplies of Goods. Supplies of goods includes supply of turbine spare parts and generators.

Revenue from contract receipts from our various segments are presented exclusive of service tax.

Other Operating Revenue

Other operating revenue comprises crane hire charges received from unused equipment hired out to third party engineering and construction companies during periods of low activity.

Other Income

Other income that varies from period to period includes (i) interest on bank deposits; (ii) foreign exchange fluctuations; (iii) dividend from investments; (iv) profit on disposal of fixed assets; and (v) miscellaneous income.

Expenditure

Our expenditure includes (i) contract execution expenses; (ii) employee benefit expenses; (iii) cost of materials consumed; (iv) depreciation and amortisation; (v) finance costs; (vi) change in inventories of finished goods, work in progress and stock in trade; and (vii) other expenses.

Contract Execution Expenses

Contract execution expenses represents expenditure incurred in the course of execution of our projects including (i) sub-contract expenses incurred in connection with sub-contractors and contract labourers hired for our projects; (ii) fuel and vehicle maintenance costs; (iii) equipment hire charges relating to construction and other heavy duty equipment hired for execution of our projects; (iv) radiography charges relating to non-destructive testing services provided by third party certification agencies; (v) vehicle movement and other freight expenses; (vi) power and fuel expense; (vii) rent at project sites; (viii) repairs and maintenance charges for plant, machinery and others; (ix) travelling expenses at projects; (x) insurance; and (xi) royalty paid to certain customers on account of back to back contractual arrangements.

Employee Benefit Expenses

Employee benefit expenses include (i) salaries and wages; (ii) staff welfare expenses; and (iii) contribution to provident and other funds including gratuity.

Cost of Materials Consumed

Cost of materials consumed represents the cost of material purchased in connection with our construction activities such as steel and cement as adjusted for materials inventory.

Depreciation and Amortisation

Depreciation represents depreciation on assets including office buildings, plant and machinery, furniture and fixtures, computers, office equipment, vehicles, cranes and mobile phones. It is provided on the straight-line method at the rates and in the manner as laid down in Schedule XIV to the Companies Act, 1956. Depreciation on assets added/sold during a year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be. Intangible assets, comprising of expenditure on computer software incurred are amortized on a straight line method over a period of five years. We followed the written-down value method of depreciation until fiscal 2012. For further information see the sub-section titled *"Management's Discussion and Analysis of Financial condition and Results of Operations - Changes in Accounting Policies"* on Page 370.

The Company continues to compute the depreciation based on the estimated useful life of the assets as determined by the management in fiscal 2013 which are different from the useful lives as prescribed in Schedule II of the Companies Act, 2013 which became applicable from April 1, 2014. The management of the Company is of the opinion that the useful lives as followed by the Company currently have been technically evaluated based on past experience and working conditions in which such assets are put to use and are reasonable in adoption of such rates.

Finance Costs

Finance costs include interest expense, exchange fluctuation on deferred credit payment, bank charges, bank guarantee commission and loan processing charges.

Borrowing costs that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to be completed for intended use, are capitalized as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Changes in Inventories

The changes in inventories of finished goods, work in progress and stock in trade are an adjustment of the opening and closing stock of work in progress at the end of the fiscal. Stores and consumables are valued at lower of cost or net realizable value. Contracts in progress and not due for billing to the customer as on date of balance sheet are valued at agreed contract price. Contracts awarded and not commenced as on date of the balance sheet, the cost incurred in securing the contract and related expenses incurred are shown as an asset in accordance with the requirements of AS-7.

Other Expenses

Other expenses principally include miscellaneous expenses, rates and taxes, office rent, donations, irrecoverable advances written off, preoperative expenses written off, business promotion expenses, loss on sale of assets, payment to auditors, differences in foreign exchange fluctuations, registration expenses, preliminary expenses, travel and visa expenses and provision for diminution of value of investments.

Taxation

Provision for taxation comprises current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by each balance sheet date.

Results of Operations

The following table sets forth certain information with respect to our results of operations, as restated, for the periods indicated:

Particulars	Fiscal									
	2011		2012		2013		2014		2015	
	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)
INCOME										
Revenue from operations	4,918.14	99.47%	7,050.54	99.42%	9,357.95	99.51%	12,002.71	99.11%	13,662.23	99.58%
Other income	26.04	0.53%	40.80	0.58%	46.17	0.49%	108.12	0.89%	57.61	0.42%

Particulars	Fiscal									
	2011		2012		2013		2014		2015	
	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)	(₹ million)	Percentage of total income (%)
Sub-total	**4,944.18**	**100%**	**7,091.34**	**100%**	**9,404.12**	**100%**	**12,110.83**	**100%**	**13,719.84**	**100%**
EXPENDITURE										
Cost of materials consumed	299.10	6.05%	547.27	7.72%	646.77	6.88%	790.15	6.52%	770.04	5.61%
Change in inventories of Finished goods, Work- in progress and Stock-in-trade	(0.05)		7.33		1.24		(12.91)		7.58	
Contract execution expenses	3,454.98	69.88%	4,794.79	67.61 %	6,722.92	71.49%	8,434.09	69.64%	9,800.15	71.43%
Employee benefit expenses	351.83	7.12%	498.22	7.03%	668.31	7.11%	1,091.89	9.02%	1,201.76	8.76%
Finance costs	81.36	1.65%	130.20	1.84%	167.92	1.79%	266.14	2.20%	294.30	2.15%
Depreciation and amortisation	242.49	4.90%	386.35	5.45%	335.77	3.57%	328.43	2.71%	367.78	2.68%
Other expenses	47.15	0.95%	68.46	0.97%	96.84	1.03%	145.74	1.20%	212.69	1.55%
Sub-total	**4,476.86**	**90.55%**	**6,432.62**	**90.71%**	**8,639.77**	**91.87%**	**11,043.53**	**91.19%**	**12,654.30**	**92.23%**
Net Profit before Tax and Extraordinary Items	**467.32**	**9.45%**	**658.72**	**9.29%**	**764.35**	**8.13%**	**1,067.30**	**8.81%**	**1,065.54**	**7.77%**
Add/(Less): Extra Ordinary Items	-		-		-		-		-	-
Profit after extraordinary items and before tax as per audited financial statements	**467.32**	**9.45%**	**658.72**	**9.29%**	**764.35**	**8.13%**	**1067.30**	**8.81%**	**1,065.54**	**7.77%**
Add: Adjustments on account of changes in accounting policies Increase /(decrease) in Profit	98.06		123.64		-		-		-	-
Profit before tax as restated	**565.38**	**11.44%**	**782.36**	**11.03%**	**764.35**	**8.13%**	**1,067.30**	**8.81%**	**1,065.54**	**7.77%**
Tax expense										
Per audited financial statements										
Current tax	164.37		242.50		249.78		376.83		380.95	
Deferred tax expense/(Credit)	(6.94)		(24.35)		2.91		10.31		(31.16)	
Taxation of earlier periods	- -		- -		- -		(1.83)		-	-
Sub-total	**157.43**	**3.18%**	**218.15**	**3.08%**	**252.69**	**2.69%**	**385.31**	**3.18%**	**349.79**	**2.55%**
Restatement tax adjustments										
Increase in tax expense - Deferred tax										
Tax impact on restatement adjustments	31.81		40.11		-		-		-	-
Total tax expense as restated	**189.24**	**3.83%**	**258.26**	**3.64%**	**252.69**	**2.69%**	**385.31**	**3.18%**	**349.79**	**2.55%**
Profit after tax as restated	**376.14**	**7.61%**	**524.10**	**7.39%**	**511.66**	**5.44%**	**681.99**	**5.63%**	**715.75**	**5.22%**
Less Adjustment for minority interest							1.04		1.71	
Profit after tax as restated after adjusting for Minority Interest	**376.14**	**7.61%**	**524.10**	**7.39%**	**511.66**	**5.44%**	**680.95**	**5.62%**	**714.04**	**5.20%**

Fiscal 2015 compared with Fiscal 2014

Income

Total income increased by 13.29% from ₹ 12,110.83 million in fiscal 2014 to ₹ 13,719.84 million in fiscal 2015 primarily due to an increase in our revenue from operations by 13.83% from ₹ 12,002.71 million in fiscal 2014 to ₹13,662.23 million in fiscal 2015. However, this increase was partly offset by a decrease in other income by 46.72% from ₹ 108.12 million in fiscal 2014 to ₹57.61 million in fiscal 2015.

Revenue from Operations

The following table sets forth our revenue from operations from the various business lines in the periods indicated:

Particulars	**Fiscal 2014**		**Fiscal 2015**	
	Revenue From Operations (₹ million)	**Percentage of Total Revenue from Operations**	**Revenue From Operations (₹ million)**	**Percentage of Total Revenue from Operations**
Contract Receipts				
Erection Works	8,906.18	74.20%	9,102.04	66.62%
O&M Services	1,388.71	11.57%	2,764.75	20.24%
Civil Works	1,659.45	13.83%	1,749.26	12.80%
Supplies of Goods	-	-	33.90	0.25%
Other Operating Revenue				
Crane hire charges	48.37	0.40%	12.28	0.09%
Total Revenue from Operations	**12,002.71**	**100.00%**	**13,662.23**	**100.00%**

Contract Receipts

Revenue from Erection Works, O&M Services and Civil Works constituted 66.62%, 20.24% and 12.80% respectively, in fiscal 2015 of our total revenue from operations, compared to 74.20%, 11.57% and 13.83%, respectively, in fiscal 2014. In fiscal 2015 we experienced a significant growth in the demand for our O&M Services, particularly AMC services.

Revenues from our Erection Works business increased marginally by 2.20% from ₹ 8,906.18 million in fiscal 2014 to 9,102.04 million in fiscal 2015.

Revenues from our O&M Services business increased significantly by 99.09% from ₹ 1,388.71 million in fiscal 2014 to ₹2,764.75 million in fiscal 2015. The demand for our O&M services increased significantly, in part due to the significant increase in IPP capacity addition in India over the past few years. We expect the relative proportion of our revenues from the O&M Services business to increase in future fiscal periods as we increase our focus on higher margin O&M Services contracts.

Revenues from Civil Works business increased by 5.41% from ₹ 1,659.45 million in fiscal 2014 to ₹ 1,749.26 million in fiscal 2015. Our projects in the Civil Works business are primarily civil and structural works projects ancillary to Erection Works projects we have been awarded.

There was revenue from supplies of goods amounting to ₹ 33.90 million in fiscal 2015 primarily on account of supply of turbine spare parts and generators primarily to O&M clients. However there were no such supplies of goods in the previous fiscals.

Other Operating Revenue

Revenue from crane hire charges decreased by 74.61% from ₹ 48.37 million in fiscal 2014 to ₹12.28 million in fiscal 2015 as in fiscal 2015 we had increased utilization of our fleet of equipment in our own projects.

Other Income

Other income decreased by 46.72% from ₹ 108.12 million in fiscal 2014 to ₹57.61 million in fiscal 2015.

Expenditure

Our total expenditure increased by 14.59% from ₹ 11,043.53 million in fiscal 2014 to 12,654.30 million in fiscal 2015 primarily due to an increase in contract execution expenses, employee benefit expenses, finance costs and other expenses, generally reflecting the increase in projects we worked on and the increase in operations in fiscal 2015.

Contract Execution Expenses

Contract execution expenses increased by 16.20% from ₹ 8,434.09 million in fiscal 2014 to ₹ 9,800.15 million in fiscal 2015 primarily due to increase in sub-contract expenses by 14.09% from ₹ 7,821.81 million in fiscal 2014 to ₹8,923.61 million in fiscal 2015 as we used additional sub-contractor resources for our operations including large number of contract labour and an increase in equipment hire charges by 133.94% from ₹82.94 million in fiscal 2014 to ₹194.03 million in fiscal 2015. Fuel and vehicle maintenance expenses also increased by 17.70% from ₹ 170.93 million in fiscal 2014 to 201.18 million in fiscal 2015.

Employee Benefit Expenses

Employee benefit expenses increased by 10.06% from ₹ 1,091.89 million in fiscal 2014 to ₹ 1,201.76 million in fiscal 2015, primarily due to an increase of 4.61% in salaries and wages paid (including remuneration to key management personnel and consultancy charges) from ₹ 860.78 million in fiscal 2014 to ₹900.50 million in fiscal 2015. As of March 31, 2015, we had 2,275 employees, compared to 3,878 full time employees as of March 31, 2014. While the number of employees decreased as a result of the transfer of a significant number of our AMC services related employees to various contractors to support our contract employee requirements for AMC projects, we also recruited certain senior level employees including senior management personnel which resulted in increased employee benefit expenses in fiscal 2015.

Cost of Materials Consumed

Cost of materials consumed decreased marginally by 2.56% from ₹ 790.15 million in fiscal 2014 to ₹ 770.04 million in fiscal 2015.

EBITDA

Our EBITDA, calculated as our net profit before tax and extraordinary items before depreciation and amortization and finance costs, was ₹1,727.62 million in fiscal 2015 as compared to ₹ 1,661.87 million in fiscal 2014.

Depreciation and Amortization

Depreciation and amortization costs increased marginally by 11.98% from ₹ 328.43 million in fiscal 2014 to ₹367.78 million in fiscal 2015.

Finance Costs

Finance costs increased by 10.58% from ₹ 266.14 million in fiscal 2014 to 294.30 million in fiscal 2015 primarily due to an increase of 28.99% in interest expenses which increased from ₹ 190.96 million in fiscal 2014 to ₹246.31 million in fiscal 2015. As of March 31, 2015 our long term borrowings was ₹ 365.75 million compared to ₹ 274.19 million as of March 31, 2014, while our short term borrowings was ₹ 1,997.41 million as of March 31, 2015 compared to ₹ 1,393.99 million as of March 31, 2014. The increase in interest expenses was partly offset by a decrease in exchange fluctuations on deferred credit payment incurred by 83.40% from ₹ 39.51 million in fiscal 2014 to ₹6.56 million in fiscal 2015.

Change in Inventories

There was an decrease in work in progress of ₹ 7.58 million in fiscal 2015 as compared to increase of ₹12.91 million in fiscal 2014.

Other Expenses

Other expenses increased by 45.94% from ₹ 145.74 million in fiscal 2014 to 212.69 million in fiscal 2015, primarily due to an increase in miscellaneous expenses and rates and taxes by 45.87% and 88.35%, respectively, from ₹ 85.93 million and ₹ 33.91 million, respectively in fiscal 2014 to ₹125.35 million and ₹ 63.87 million, respectively, in fiscal 2015.

Net Profit before Tax and Extraordinary Items

Accordingly, net profit before tax and extraordinary items decreased by 0.16% from ₹ 1,067.30 million in fiscal 2014 to ₹1,065.54 million in fiscal 2015, primarily due to an increase in in expenditure partly off set by an increase in revenue from operations.

Profit before Tax, as Restated

Accordingly, profit before tax, as restated, was ₹1,065.54 million in fiscal 2015 compared to ₹ 1,067.30 million in fiscal 2014.

Total Tax Expense, as Restated

Total tax expense, as restated, was ₹349.79 million in fiscal 2015 compared to ₹ 385.31 million in fiscal 2014

Profit after Tax, as Restated, after adjusting minority interest

For the reasons discussed above, our profit after tax, as restated, was 714.04 million in fiscal 2015 compared to ₹ 680.95 million in fiscal 2014. Our profit margin, calculated as our profit after tax, as restated, presented as a percentage of our total income, was 5.20% in fiscal 2015 compared to 5.62% in fiscal 2014.

Fiscal 2014 compared to Fiscal 2013

Income

Total income increased by 28.78% from ₹ 9,404.12 million in fiscal 2013 to ₹ 12,110.83 million in fiscal 2014 primarily due to an increase in our revenue from operations by 28.26% from ₹ 9,357.95 million in fiscal 2013 to ₹ 12,002.71 million in fiscal 2014. Other income also increased by 134.18% from ₹ 46.17 million in fiscal 2013 to ₹ 108.12 million in fiscal 2014.

Revenue from Operations

The following table sets forth our revenue from operations from the various business lines in the periods indicated:

Particulars	Fiscal 2013		Fiscal 2014	
	Revenue From Operations (₹ million)	Percentage of Total Revenue from Operations	Revenue From Operations (₹ million)	Percentage of Total Revenue from Operations
Contract Receipts				
Erection Works	7,421.35	79.31%	8,906.18	74.20%

Particulars	Fiscal 2013		Fiscal 2014	
	Revenue From Operations (₹ million)	Percentage of Total Revenue from Operations	Revenue From Operations (₹ million)	Percentage of Total Revenue from Operations
O&M Services	756.34	8.08%	1,388.71	11.57%
Civil Works	1,099.37	11.75%	1,659.45	13.83%
Other Operating Revenue				
Crane hire charges	80.89	0.86%	48.37	0.40%
Total Revenue from Operations	**9,357.95**	**100.00%**	**12,002.71**	**100.00%**

Contract Receipts

Revenue from Erection Works, O&M Services and Civil Works constituted 74.20%, 11.57% and 13.83%, respectively, in fiscal 2014 of our total revenue from operations, compared to 79.31%, 8.08% and 11.75%, respectively, in fiscal 2013. In fiscal 2014 we experienced a significant growth in the demand for our O&M Services, particularly AMC services, as well as in our Civil Works contracts.

Revenues from our Erection Works business increased by 20.01% from ₹ 7,421.35 million in fiscal 2013 to ₹ 8,906.18 million in fiscal 2014, primarily due to an increase in the number of Erection Works projects awarded to us and various projects reaching relevant project milestones.

Revenues from our O&M Services business increased significantly by 83.61% from ₹ 756.34 million in fiscal 2013 to ₹ 1,388.71 million in fiscal 2014. The demand for our O&M services increased significantly, in part due to the significant increase in IPP capacity addition in India over the past few years. We expect the relative proportion of our revenues from the O&M Services business to increase in future fiscal periods as we increase our focus on higher margin O&M Services contracts.

Revenues from Civil Works business increased by 50.95% from ₹ 1,099.37 million in fiscal 2013 to ₹ 1,659.45 million in fiscal 2014. Our projects in the Civil Works business are primarily civil and structural works projects ancillary to Erection Works projects we have been awarded. Revenues from our Civil Works projects are expected to increase in the future resulting from a diversification into other sectors such as petrochemicals, cement and steel.

Other Operating Revenue

Revenue from crane hire charges decreased by 40.20% from ₹ 80.89 million in fiscal 2013 to ₹ 48.37 million in fiscal 2014 as in fiscal 2014 we had increased utilization of our fleet of equipment in our own projects and did not hire out such equipment to the extent we had in fiscal 2013.

Other Income

Other income increased by 134.18% from ₹ 46.17 million in fiscal 2013 to ₹ 108.12 million in fiscal 2014 primarily due to foreign currency fluctuation gains.

Expenditure

Our total expenditure increased by 27.82% from ₹ 8,639.77 million in fiscal 2013 to ₹ 11,043.53 million in fiscal 2014 primarily due to an increase in contract execution expenses, employee benefit expenses and cost of materials consumed, generally reflecting the increase in projects we worked on and the increase in operations in fiscal 2014 compared to that in fiscal 2013.

Contract Execution Expenses

Contract execution expenses in fiscal 2014 increased significantly in line with the general growth in operations and the larger numbers of projects we were engaged on in fiscal 2014, including the significant growth in the O&M Service segment involving repairs and overhaul projects for thermal power plants.

Contract execution expenses increased significantly by 25.45% from ₹ 6,722.92 million in fiscal 2013 to ₹ 8,434.09 million in fiscal 2014 primarily due to increase in sub-contract expenses by 25.65% from ₹ 6,224.95 million in fiscal 2013 to ₹ 7,821.81 million in fiscal 2014 as we used additional sub-contractor resources for our operations including large number of contract labour. Fuel and vehicle maintenance expenses also increased by 25.39% from ₹ 136.32 million in fiscal 2013 to ₹ 170.93 million in fiscal 2014.

Employee Benefit Expenses

Employee benefit expenses increased significantly by 63.38% from ₹ 668.31 million in fiscal 2013 to ₹ 1,091.89 million in fiscal 2014, primarily due to an increase of 81.75% in salaries and wages paid (including remuneration to key management personnel and consultancy charges) from ₹ 473.61 million in fiscal 2013 to ₹ 860.78 million in fiscal 2014. This was primarily due to a significant increase in number of full time employees employed by us, particularly for our growing AMC services, which is relatively labour intensive. As of March 31, 2014, we had 3,878 full time employees, compared to 1,889 full time employees as of March 31, 2013.

Cost of Materials Consumed

Cost of materials consumed increased by 22.17% from ₹ 646.77 million in fiscal 2013 to ₹ 790.15 million in fiscal 2014 resulting from the increase in use of steel and cement in our growing Civil Works business.

EBITDA

Our EBITDA, calculated as our net profit before tax and extraordinary items before depreciation and amortization and finance costs, was ₹ 1,661.87 million in fiscal 2014 compared to ₹ 1,268.04 million in fiscal 2013.

Depreciation and Amortization

Depreciation and amortization costs decreased marginally by 2.19% from ₹ 335.77 million in fiscal 2013 to ₹ 328.43 million in fiscal 2014.

Finance Costs

Finance costs increased by 58.49% from ₹ 167.92 million in fiscal 2013 to ₹ 266.14 million in fiscal 2014 primarily due to an increase of 54.99% in interest expenses which increased from ₹ 123.21 million in fiscal 2013 to ₹ 190.96 million in fiscal 2014 due to a significant increase in our short term borrowings in fiscal 2014 to fund our working capital and capital expenditures. As of March 31, 2014 our long term borrowings was ₹ 274.19 million compared to ₹ 280.40 million as of March 31, 2013, while our short term borrowings was ₹ 1,393.99 million as of March 31, 2014 compared to ₹ 871.64 million as of March 31, 2013. In addition, exchange fluctuations on deferred credit payment incurred increased by 139.16% from ₹ 16.52 million in fiscal 2013 to ₹ 39.51 million in fiscal 2014.

Change in Inventories

There was an increase in work in progress of ₹ 12.91 million in fiscal 2014 compared to a decrease in work in progress of ₹ 1.24 million in fiscal 2013.

Other Expenses

Other expenses increased by 50.50% from ₹ 96.84 million in fiscal 2013 to ₹ 145.74 million in fiscal 2014, primarily due to an increase in miscellaneous expenses and rates and taxes by 26.35% and 137.80%, respectively, from ₹ 68.01 million and ₹ 14.26 million, respectively in fiscal 2013 to ₹ 85.93 million and ₹ 33.91 million, respectively, in fiscal 2014.

Net Profit before Tax and Extraordinary Items

Accordingly, net profit before tax and extraordinary items increased by 39.63% from ₹ 764.35 million in fiscal 2013 to ₹ 1,067.30 million in fiscal 2014, primarily due to a significant increase in revenue from operations and other income offset in part by an increase in expenditure.

Profit before Tax, as Restated

There were no adjustments on account of restatements for changes in accounting policies or prior period adjustments in fiscal 2013 or fiscal 2014. Accordingly, profit before tax, as restated, was ₹ 1,067.30 million in fiscal 2014 compared to ₹ 764.35 million in fiscal 2013.

Total Tax Expense, as Restated

Total tax expense, as restated, was ₹ 385.31 million in fiscal 2014 compared to ₹ 252.69 million fiscal 2013.

Profit after Tax, as Restated, after adjusting minority interest

For the reasons discussed above, our profit after tax, as restated, was ₹ 680.95 million in fiscal 2014 compared to ₹ 511.66 million in fiscal 2013. Our profit margin, calculated as our profit after tax, as restated, presented as a percentage of our total income, was 5.62% in fiscal 2014 compared to 5.44% in fiscal 2013.

Fiscal 2013 compared to Fiscal 2012 Income

Total income increased significantly by 32.61% from ₹ 7,091.34 million in fiscal 2012 to ₹ 9,404.12 million in fiscal 2013 primarily due to an increase in our revenue from operations by 32.73% from ₹ 7,050.54 million in fiscal 2012 to ₹ 9,357.95 million in fiscal 2013. Our other income also increased by 13.16% from ₹ 40.80 million in fiscal 2012 to ₹ 46.17 million in fiscal 2013.

Revenue from Operations

The following table sets forth our revenue from operations from the various business lines in the periods indicated:

Particulars	**Fiscal 2012**		**Fiscal 2013**	
	Revenue From Operations (₹ million)	**Percentage of Total Revenue from Operations (%)**	**Revenue From Operations (₹ million)**	**Percentage of Total Revenue from Operations (%)**
Contract Receipts				
Erection Works	5,878.46	83.38%	7,421.35	79.31%
O&M Services	424.37	6.02%	756.34	8.08%
Civil Works	697.23	9.89%	1,099.37	11.75%
Other Operating Revenue				
Crane hire charges	50.48	0.71%	80.89	0.86%
Total Revenue from Operations	**7,050.54**	**100.00%**	**9,357.95**	**100.00%**

Contract Receipts

Revenue from Erection Works, O&M Services and Civil Works constituted 79.31%, 8.08% and 11.75%, respectively, in fiscal 2013 of our total revenue from operations, compared to 83.38%, 6.02% and 9.89%, respectively in fiscal 2012. In fiscal 2013 we experienced a significant growth in the demand for our O&M Services, particularly AMC services, as well as in our Civil Works contracts.

Revenue from our Erection Works business increased by 26.25% from ₹ 5,878.46 million in fiscal 2012 to ₹ 7,421.35 million in fiscal 2013, primarily due to an increase in the number of Erection Works projects awarded to us and various projects reaching relevant project milestones.

Revenue from our O&M Services business increased significantly by 78.23% from ₹ 424.37 million in fiscal 2012 to ₹ 756.34 million in fiscal 2013 primarily due to an increase in O&M Services projects, particularly AMCs, undertaken by us in fiscal 2013.

Revenue from Civil Works business increased by 57.68% from ₹ 697.23 million in fiscal 2012 to ₹ 1,099.37 million in fiscal 2013 primarily due to an increase in civil and structural projects received in fiscal 2013.

Other Operating Revenue

Revenue from crane hire charges increased by 60.24% from ₹ 50.48 million in fiscal 2012 to ₹ 80.89 million in fiscal 2013, resulting from an increase in our equipment base and more equipment being hired out during periods of low activity.

Other Income

Other income increased by 13.16% from ₹ 40.80 million in fiscal 2012 to ₹ 46.17 million in fiscal 2013.

Expenditure

Total expenditure increased by 34.31% from ₹ 6,432.62 million in fiscal 2012 to ₹ 8,639.77 million in fiscal 2013 primarily due to an increase in contract execution expenses, employee benefit expenses and cost of materials consumed, reflecting the growth in our operations.

Contract Execution Expenses

Contract execution expenses increased in line with the general increase in our operations, particularly in the Erections Works segment. Contract execution expenses increased by 40.21% from ₹ 4,794.79 million in fiscal 2012 to ₹ 6722.92 million in fiscal 2013 primarily due to increase in sub-contract expenses by 42.49% from ₹ 4,368.54 million in fiscal 2012 to ₹ 6,224.95 million in fiscal 2013 and equipment hire charges by 97.40% from ₹ 36.58 million in fiscal 2012 to ₹ 72.21 million in fiscal 2013. Our fuel and vehicle maintenance charges decreased by 9.38% from ₹ 150.43 million in fiscal 2012 to ₹ 136.32 million in fiscal 2013.

Employee Benefit Expenses

Employee benefit expenses increased by 34.14% from ₹ 498.22 million in fiscal 2012 to ₹ 668.31 million in fiscal 2013 primarily due to increase by 37.88% in salaries and wages paid from ₹ 343.49 million in fiscal 2012 to ₹ 473.61 million in fiscal 2013 and an increase by 34.33% in staff welfare expenses from ₹ 118.28 million in fiscal 2012 to ₹ 158.89 million in fiscal 2013, primarily due to an increase in the number of full-time employees for the O&M business. As of March 31, 2013, we had 1,889 full time employees, compared to 1,006 full time employees as of March 31, 2012.

Cost of Materials Consumed

Cost of material consumed increased by 18.18% from ₹ 547.27 million in fiscal 2012 to ₹ 646.77 million in fiscal 2013 primarily due to the increase in the number of projects and size of projects we worked on in fiscal 2013.

EBITDA

Our EBITDA, calculated as our profit before tax and extraordinary items before depreciation and amortization and finance costs, was ₹ 1,268.04 million in fiscal 2013 compared to ₹ 1,175.27 million in fiscal 2012.

Depreciation and Amortisation

Depreciation and amortisation decreased by 13.09% from ₹ 386.35 million in fiscal 2012 to ₹ 335.77 million in fiscal 2013.

Until fiscal 2012, our company accounted for depreciation and amortisation on fixed assets in accordance with written down value method at the rates mentioned as per the Schedule XIV of the Companies Act, 1956. During fiscal 2013, our Company changed the method of accounting for depreciation and amortisation to straight-line method by applying the rates based on estimated useful life of the assets. For the purpose of restating the audited financial statements, the depreciation has been recomputed retrospectively in accordance with Accounting Standard-6 "Depreciation Accounting" and the resultant excess depreciation of ₹ 110.78 million which was hitherto charged to the profit and loss account under the written-down value method till fiscal 2010 was credited to the opening balance of surplus in profit and loss account as on April 1, 2010 and corresponding deferred tax of ₹ 35.94 million was debited to the opening balance of surplus in profit and loss account as on April 1, 2010. Further, restatement adjustments have been made to the audited financial statements wherein the resultant excess depreciation of ₹221.70 million for the fiscal 2011 and 2012 has been credited and the corresponding deferred tax impact of ₹ 71.92 million has been debited to the restated statement of consolidated profit and loss account for fiscal 2011 and 2012.

Finance Costs

Finance costs increased by 28.97% from ₹ 130.20 million in fiscal 2012 to ₹ 167.92 million in fiscal 2013 primarily due to an increase of 36.76% in interest expenses which increased from ₹ 90.09 million in fiscal 2012 to ₹ 123.21 million in fiscal 2013 due to an increase in short term borrowings in fiscal 2013 to fund our working capital and capital expenditures for our growing operations. As of March 31, 2013 our long term borrowings was ₹ 280.40 million compared to ₹ 575.05 million as of March 31, 2012, while our short term borrowings was ₹ 871.64 million as of March 31, 2013 compared to ₹ 314.26 million as of March 31, 2012.

Change in Inventories

There was a decrease in work in progress of ₹ 1.24 million in fiscal 2013 compared to a decrease in work in progress of ₹ 7.33 million in fiscal 2012.

Other Expenses

Other expenses increased by 41.45% from ₹ 68.46 million in fiscal 2012 to ₹ 96.84 million in fiscal 2013 primarily due to an increase in miscellaneous expenses and rates and taxes by 43.12% and 10.97%, respectively, from ₹ 47.52 million and ₹ 12.85 million, respectively, in fiscal 2012 to ₹ 68.01 million and ₹ 14.26 million, respectively in fiscal 2013.

Net Profit before Tax and Extraordinary Items

Accordingly, net profit before tax and extraordinary items decreased by 2.30% from ₹ 782.36 million in fiscal 2012 to ₹ 764.35 million in fiscal 2013.

Profit before Tax, as Restated

Profit after extraordinary items and before tax as per audited financial statements in fiscal 2012 therefore increased by ₹ 123.64 million as a result of such restatement adjustment. For further information, see *"Fiscal 2013 Compared to Fiscal 2012 – Depreciation and Amortization"* above. There were no such adjustments made to our profit after extraordinary items and before tax as per audited financial statements in fiscal 2013. Accordingly, profit before tax, as restated, was ₹ 764.35 million in fiscal 2013 compared to ₹ 782.36 million in fiscal 2012.

Total Tax Expense, as Restated

Tax expense as per the audited financial statements increased by 15.83% from ₹ 218.15 million in fiscal 2012 to ₹ 252.69 million in fiscal 2013. There was a tax adjustment on account of the restatement in fiscal 2012 resulting in an increase in tax expense of ₹ 40.11 million in fiscal 2012.

Profit after Tax, as Restated, after adjusting minority interest

For the reasons discussed above, our profit after tax, as restated, was ₹ 511.66 million in fiscal 2013 compared to ₹ 524.10 million in fiscal 2012. Our profit margin, calculated as our profit after tax, as restated, presented as a percentage of our total income, was 5.44% in fiscal 2013 compared to 7.39% in fiscal 2012.

Fiscal 2012 compared to Fiscal 2011

Income

Total income increased significantly by 43.43% from ₹ 4,944.18 million in fiscal 2011 to ₹ 7,091.34 million in fiscal 2012 primarily due to an increase in revenue from operations. Other income also increased by 56.68% from ₹ 26.04 million in fiscal 2011 to ₹ 40.80 million in fiscal 2012.

Revenue from Operations

The following tables set forth certain information relating to our income from the different project segments in the periods indicated:

Particulars	**Fiscal 2011**		**Fiscal 2012**	
	Revenue From Operations (₹ million)	**Percentage of Total Revenue from Operations**	**Revenue From Operations (₹ million)**	**Percentage of Total Revenue from Operations**
Contract Receipts				
Erection Works	4,543.31	92.38%	5878.46	83.38%
O&M Services	269.43	5.48%	424.37	6.02%
Civil Works	102.99	2.09%	697.23	9.89%
Other Operating Revenue				
Crane hire charges	2.41	0.05%	50.48	0.71%
Total Revenue from Operations	**4918.14**	**100.00%**	**7050.54**	**100.00%**

Contract Receipts

Revenue from Erection Works, O&M Services and Civil Works constituted 83.38%, 6.02% and 9.89%, respectively, in fiscal 2012 of our total revenue from operations compared to 92.38%, 5.48% and 2.09%, respectively, in fiscal 2011. In fiscal 2012 we experienced a significant growth in the demand for our Civil Works business.

Revenues from Erection Works business increased by 29.39% from ₹ 4,543.31 million in fiscal 2011 to ₹ 5,878.46 million in fiscal 2012 primarily due to an increase in the number of Erection Works Projects awarded to us and various projects reaching relevant project milestones. Although very few new power projects were announced during this period, reflecting the general slowdown in the economy and infrastructure projects in India, the projects we were engaged on were not affected in any significant manner as a result of such general slowdown in the economy.

Revenues from O&M Services increased by 57.51% from ₹ 269.43 million in fiscal 2011 to ₹ 424.37 million in fiscal 2012, as we experienced significant demand for O&M services for power plants in India.

Revenues from Civil Works increased significantly by 576.99% from ₹ 102.99 million in fiscal 2011 to ₹ 697.23 million in fiscal 2012. We commenced our Civil Works business in fiscal 2011 as ancillary services to our Erection Works business, and our Civil Works business grew significantly within a relatively short period of time.

Other Operating Revenue

Revenue from crane hire charges increased significantly from ₹ 2.41 million in fiscal 2011 to ₹ 50.48 million in fiscal 2012 as a result of a significant increase in our asset base and hiring out of our equipment, particularly large cranes, due to sub-optimal utilization of such equipment in our projects.

Other Income

Other income increased by 56.68% from ₹ 26.04 million in fiscal 2011 to ₹ 40.80 million in fiscal 2012 primarily due to an increase in interest on bank deposits.

Expenditure

Our total expenditure increased by 43.69% from ₹ 4,476.86 million in fiscal 2011 to ₹ 6,432.62 million in fiscal 2012 primarily due to an increase in contract execution expenses as our operations increased and we were engaged on larger projects in the Erection Works business and our O&M Services and Civil Works business grew significantly.

Contract Execution Expenses

Contract execution expenses increased by 38.78% from ₹ 3,454.98 million in fiscal 2011 to ₹ 4,794.79 million in fiscal 2012 primarily due to an increase in sub-contract expenses by 36.85% from ₹ 3,192.15 million in fiscal 2011 to ₹ 4,368.54 million in fiscal 2012. Fuel and vehicle maintenance charges and vehicle movement and other freight expenses also increased by 110.83% and 89.97%, respectively, from ₹ 71.35 million and ₹ 38.88 million, respectively in fiscal 2011 to ₹ 150.43 million and ₹ 73.86 million, respectively, in fiscal 2012.

Employee Benefit Expenses

Employee benefit expenses increased by 41.61% from ₹ 351.83 million in fiscal 2011 to ₹ 498.22 million in fiscal 2012 primarily due to an increase by 34.72% in salaries and wages from ₹ 254.97 million in fiscal 2011 to ₹ 343.49 million in fiscal 2012 reflecting the increase in our full time employee base, particularly for the growth in our O&M business and Civil Works business. As of March 31, 2012, we had 1,006 full time employees, compared to 906 full time employees as of March 31, 2011.

Cost of Materials Consumed

Cost of materials consumed increased by 82.97% from ₹ 299.10 million in fiscal 2011 to ₹ 547.27 million in fiscal 2012 reflecting the significant increase in materials used in our Civil Works business, primarily steel and cement.

EBITDA

Our EBITDA, calculated as our profit before tax and extraordinary items before depreciation and amortization and finance costs, was ₹ 1175.27 million in fiscal 2012 compared to ₹ 791.17 million in fiscal 2011.

Depreciation and Amortisation

Depreciation and amortisation increased by 59.33% from ₹ 242.49 million in fiscal 2011 to ₹ 386.35 million in fiscal 2012.

Until fiscal 2012, our company accounted for depreciation and amortisation on fixed assets in accordance with the written down value method at the rates mentioned as per the Schedule XIV of the Companies Act, 1956. During fiscal 2013, our Company changed the method of accounting for depreciation and amortisation to straight-line method by applying the rates based on estimated useful life of the assets. For the purpose of restating the audited financial statements, the depreciation has been recomputed retrospectively in accordance with Accounting Standard-6 “Depreciation Accounting” and the resultant excess depreciation of ₹ 110.78 million which was hitherto charged to the profit and loss account under the written-down value method till fiscal 2010 was credited to the opening balance of surplus in profit and loss account as on April 1, 2010 and corresponding deferred tax of ₹ 35.94 million was debited to the opening balance of surplus in profit and loss account as on April 1, 2010. Further, restatement adjustments have been made to the audited financial statements wherein the resultant excess depreciation of ₹221.70 million for the fiscal 2011 and 2012 has been credited and the corresponding deferred tax impact of ₹ 71.92 million has been debited to the restated statement of consolidated profit and loss account for fiscal 2011 and 2012.

Finance Costs

Finance costs increased by 60.03% from ₹ 81.36 million in fiscal 2011 to ₹ 130.20 million in fiscal 2012 primarily due to an increase of 44.28% in interest expenses which increased from ₹ 62.44 million in fiscal 2011 to ₹ 90.09 million in fiscal 2012 as a result of the increase in our borrowings to fund our operations and working capital. As of March 31, 2012 our long term borrowings was ₹ 575.05 million compared to ₹ 460.92 million as of March 31, 2011, while our short term borrowing was ₹ 314.26 million as of March 31, 2012 compared to ₹ 93.02 million as of March 31, 2011.

Change in Inventories

There was an increase in work in progress of ₹ 0.05 million in fiscal 2011 compared to a decrease in work in progress of ₹ 7.33 million in fiscal 2012.

Other Expenses

Other expenses increased by 45.20% from ₹ 47.15 million in fiscal 2011 to ₹ 68.46 million in fiscal 2012 primarily due to an increase in miscellaneous expenses by 35.35% from ₹ 35.11 million in fiscal 2011 to ₹ 47.52 million in fiscal 2012.

Net Profit before Tax and Extraordinary Items

Accordingly, net profit before tax and extraordinary items increased by 38.38% from ₹ 565.38 million in fiscal 2011 to ₹ 782.36 million in fiscal 2012.

Profit before Tax, as Restated

Profit before Tax as Restated in fiscal 2011 and fiscal 2012 was ₹ 565.38 million and ₹ 782.36 million, respectively, resulting from restatement adjustments of ₹ 98.06 million and ₹ 123.64 million, respectively, relating to adjustments for the change in manner of accounting for depreciation and amortization. For further information, see "*Fiscal 2012 Compared to Fiscal 2011 – Depreciation and Amortization*" above.

Total Tax Expense, as Restated

The total tax expense, as restated, in fiscal 2011 and fiscal 2012 was ₹ 189.24 million and ₹ 258.26 million, respectively, resulting from tax impact of restatement adjustments of ₹ 31.81 million and ₹ 40.11 million, respectively.

Profit after Tax, as Restated, after adjusting minority interest

For the reasons discussed above, our profit after tax, as restated was ₹ 524.10 million in fiscal 2012 compared to ₹ 376.14 million in fiscal 2011. Our profit margin, calculated as our profit after tax, as restated, presented as a percentage of our total income, was 7.39% in fiscal 2012 compared to 7.61% in fiscal 2011.

Restatement Adjustments

Until fiscal 2012, our company accounted for depreciation and amortisation on fixed assets in accordance with the written down value method at the rates mentioned as per the Schedule XIV of the Companies Act, 1956. During fiscal 2013, our Company changed the method of accounting for depreciation and amortisation to straight-line method by applying the rates based on estimated useful life of the assets. For the purpose of restating the audited financial statements, the depreciation has been recomputed retrospectively in accordance with Accounting Standard-6 "Depreciation Accounting" and the resultant excess depreciation of ₹ 110.78 million which was hitherto charged to the profit and loss account under the written-down value method till fiscal 2010 was credited to the opening balance of surplus in profit and loss account as on April 1, 2010 and corresponding deferred tax of ₹ 35.94 million was debited to the opening balance of surplus in profit and loss account as on April 1, 2010. Further, restatement adjustments have been made to the audited financial statements wherein the resultant excess depreciation of ₹221.70 million for the fiscal 2011 and 2012 has been credited and the corresponding deferred tax impact of ₹ 71.92 million has been debited to the restated statement of consolidated profit and loss account for fiscal 2011 and 2012. For further information, see the sub-section titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations - Changes in Accounting Policies"* above and Note 2(a) and 2(b) of Annexure IV of our Restated Consolidated Financial Statements on Page 302.

Financial Condition

Based on our restated summary statements, our net worth as per restated assets and liabilities stated was ₹ 3,547.17 million as of March 31, 2015, compared to ₹ 2,736.07 million, ₹ 2,043.18 million, ₹ 1,544.35 million and ₹ 1,032.02 million as of March 31, 2014, 2013, 2012 and 2011, respectively.

Fixed Assets

Fixed assets include: (i) tangible assets such as cranes, equipment, plant and machinery, temporary sheds, office buildings, motor cars and jeeps, office equipment, computers, furniture and fitting, land and leasehold land; (ii) intangible assets primarily relating to goodwill, computer software and ―Power Mech brand; (iii) capital work in progress and (iv) unallocated capital expenditure.

Our net block of tangible assets as of March 31, 2011, 2012, 2013, 2014 and 2015 was ₹ 1,215.05 million, ₹ 1,696.42 million, ₹ 1,687.02 million, ₹ 1,744.92 million and ₹ 1,798.37 million. The increase in tangible assets was primarily due to the increase in our equipment base used in our operations, including material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, dozers and modern laboratory testing machines.

Loans and Advances

Long Term

Long term loans and advances comprise security deposits for government authorities and others, earnest money deposit with customers and advances for capital goods. Long term loans and advances as of March 30, 2011, 2012 and 2013 was ₹ 41.80 million, ₹ 24.90 million and ₹ 31.76 million, respectively. Long term loans and advances as of March 31, 2014 and March 31, 20154 was ₹ 42.13 million and ₹ 77.13 million.

Short Term

Short term loans and advances comprise: (i) balance with statutory authorities relating to advance income tax and tax deducted at source, works contract tax, CENVAT credit receivable and sales tax refund receivable; advance to subcontractors against works; advance to creditors against supplies; advances recoverable in cash or kind for value to be received relating to prepaid expenses and employee related advances; and earnest money deposit with customers; and (ii) advance to promoters, key management and related parties. Our short term loans and advances as of as of March 31, 2011, 2012, 2013 and 2014 was ₹ 375.20 million, ₹ 893.71 million, ₹ 1,303.53 million, and ₹1,941.97 million respectively. Short term loans and advances as of March 31, 2015 increased significantly to ₹ 2,613.07 million, primarily resulting from advances to sub-contractors against works and balance with statutory authorities relating to advance income tax and tax deducted at source of ₹ 1,199.09 million.

Inventory

Our inventory primarily relates to stores and spares and construction work-in-progress. Our inventory as of March 31, 2011, 2012, 2013 and 2014 was ₹ 77.78 million, ₹ 110.56 million and ₹ 192.49 million and 242.99 million, respectively, while our inventory as of March 31, 2015 was ₹ 320.92 million. The increase in inventory as of March 31, 2015 reflected the increase in construction material as of March 31, 2014.

Trade Receivables

Our trade receivables as of March 31, 2011, 2012, 2013 and 2014 was ₹ 732.07 million, ₹ 1,475.71 million, ₹ 1,770.26 million and ₹ 1,492.44 million , respectively, while our trade receivables as of March 31, 2015 was ₹ 1,953.65 million. Our trade receivable as of March 31, 2015 increased by 30.90% due to collection of outstanding receivables and improvement of our receivables position.

Cash and Bank Balances

Cash and bank balances comprise cash in hand and cash equivalents, i.e. balances with banks. Total cash and bank balances as of March 31, 2011, 2012, 2013, 2014 and 2015 was ₹ 425.47 million, ₹ 420.42 million, ₹ 567.22 million, ₹ 688.42 million and ₹ 678.29 million, respectively.

Other Assets

Other non-current assets primarily include retention money and security deposit with customers and mobilisation advances to sub-contractors. Our other non-current assets as of March 31, 2011, 2012, 2013 and 2014 was ₹ 625.53 million, ₹ 763.58 million and ₹ 949.66 million and 1,688.50 million, respectively, while our other non-current assets as of March 31, 2015 was ₹ 1,556.10 million. The decrease reflected the decrease in retention money and security deposits with customers.

Other current assets include uncertified revenue, retention money and security deposit with customers, mobilisation advances to sub-contractors, pre-operative expenses and deposits with customers. Uncertified revenue represents that portion of the work which was completed but pending certification by the client as on date of balance sheet which is recognized as revenue and included in contract receipts**.** Our other current assets as of March 31, 2011, 2012, 2013 and 2014 was ₹ 237.32 million, ₹ 298.80 million, ₹ 1,067.05 million, ₹ 1,614.86 million respectively, while our other current assets as of March 31, 2015 was ₹ 2,466.61 million, primarily due to an increase in uncertified revenue.

Non-Current Liabilities

Long term borrowings were ₹ 460.92 million, ₹ 575.05 million, ₹ 280.40 million and ₹ 274.19 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 365.75 million as of March 31, 2014. For further information, see the section titled *"Financial Indebtedness"* on Page 393 and Note XIV of our Restated Consolidated Financial Statements included elsewhere in this Red Herring Prospectus.

Deferred tax liability was ₹ 49.39 million, ₹ 65.15 million, ₹ 68.06 million and ₹ 78.37 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 47.21 million as of March 31, 2015. For further information, see our Restated Consolidated Financial Statements included elsewhere in this Red Herring Prospectus.

Other long term liabilities were ₹ 539.27 million, ₹ 866.49 million, ₹ 829.01 million and ₹ 936.04 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 641.26 million as of March 31, 2015. Our other long term liabilities primarily include retention money and security deposits due to sub-contractors and mobilisation advances from customers.

Current Liabilities

Total current liabilities were ₹ 1,689.76 million, ₹ 2,669.10 million, ₹ 4,432.26 million and ₹ 5,533.75 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 7,072.64 million as of March 31, 2015. Our current liabilities primarily include short term borrowings, trade payables, other current liabilities and short term provisions made.

Our trade payables as of March 31, 2011, 2012, 2013 and 2014 was ₹ 495.16 million, ₹ 677.90 million, ₹ 1,460.85 million and ₹ 1,876.23 million, respectively, while our trade payables as of March 31, 2015 was ₹ 2,221.46 million.

Our other current liabilities primarily include deferred credit payment to suppliers, mobilisation advances from customers, advances received from customers against supplies/works, retention money and security deposits due to sub-contractors, employee related payments, current maturities of long term debt, statutory liabilities, creditors for capital goods and others. Our other current liabilities were ₹ 820.09 million, ₹ 1,157.94 million, ₹ 1,334.12 million and 1,368.19 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 1,579.93 million as of March 31, 2015.

Short term borrowings were ₹ 93.02 million, ₹ 314.26 million, ₹ 871.64 million and ₹1,393.99 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 1,997.41 million as of March 31, 2015. The increase in short term borrowings in fiscal 2015 was primarily to fund our working capital requirements resulting from the significant increase in our operations. For further information, see Annexure XVII of our Restated Consolidated Financial Statements included elsewhere in this Red Herring Prospectus.

Short term provisions, primarily relating to provision for income tax, proposed equity dividend, provision for employee benefits and provision for tax on equity dividend, were ₹ 281.49 million, ₹ 519.00 million, ₹ 765.65 million and 895.34 million as of March 31, 2011, 2012, 2013 and 2014, respectively, and ₹ 1,273.84 million as of March 31, 2015.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs and our capital expenditures. To fund these costs we have relied on equity contributions short-term and long-term borrowings including working capital financing and cash flows from operating activities.

Working Capital

Our business requires a significant amount of working capital. In many cases, significant amount of working capital is required to finance the purchase of materials and the performance of construction and other work on projects before payment is received from clients. Our working capital requirements may increase due to an increase in our operations and the number and size of projects that are required to be executed within a similar timeframe. Since the contracts we bid typically involve a lengthy and complex bidding and selection process which is affected by a number of factors, it is generally difficult to predict whether or when a particular contract we have bid for will be awarded to us and the time period within which we will be required to mobilize our resources for the execution of such contract. In addition, we may need to incur additional indebtedness in the future to satisfy our working capital requirements.

Most of our projects provide for progress payments from clients with reference to the value of work completed upon reaching certain milestones. Generally, in our power sector projects, the client, or a third party authorized under the contract, usually makes payment against invoices raised upon mutual agreement. The client then effects payments with reference to these invoices generally within 45 to 60 days, which may be further delayed in some cases. As a result, significant amount of our working capital is required to finance the purchase of materials and the performance of our work on projects before payment is received from clients. In addition, a portion of the contract value, generally 5% to 10%, is usually withheld by the client as retention money and is released upon the testing of the product and completion of the project, which typically is received after 12 to 24 months from the completion of the project.

In addition, we provide performance guarantees to our clients for the course of the warranty period, which generally range from 12 months to 24 months, after the testing and completion of the project, or the commissioning of the project, as specified in the project contract. Some of the performance guarantees are secured by guarantees from banks. Our working capital requirements may increase if, in certain contracts, payment terms include reduced advance payments or payment schedules that specify payment towards the end of a project or are less favorable to us. Delays in progress payments or release of retention money or guarantees in form of bank guarantees from our clients may increase our working capital requirements.

Our net working capital value, calculated as our current assets less current liabilities, was ₹ 158.08 million, ₹ 530.10 million, ₹ 468.29 million, ₹ 446.93 million and ₹ 959.90 million as of March 31, 2011, 2012, 2013, 2014 and 2015, respectively, while our net working capital expressed as a percentage of total income in such fiscal periods was 3.20%, 7.48%, 4.98%, 3.68% and 7.00%, respectively.

Cash Flows

The following table sets out our consolidated and summarized cash flows for each of the periods indicated:

(₹ *in million*)

Particulars	Fiscal				
	2011	2012	2013	2014	2015
Cash generated from	515.64	420.53	180.66	267.52	38.58
Cash generated (used in)	(700.37)	(719.36)	(397.91)	(415.98)	(452.46)
Cash used in financing	158.36	273.26	294.76	162.97	419.38
Increase/ (decrease) in cash and cash equivalents	**(26.37)**	**(25.57)**	**77.51**	**14.51**	**5.50**

Operating Activities

Net cash from operating activities in fiscal 2015 was 38.58 million, although our profit before taxes as restated for fiscal 2015 was ₹ 1,065.54 million. The difference was primarily attributable to working capital adjustments for an increase in trade and other receivables of ₹ 1,520.04 million, offset in part by an increase in current liabilities of ₹ 340.04 million, as well as depreciation and amortization costs of ₹ 367.78 million and interest expenses of ₹ 294.29 million.

Net cash from operating activities in fiscal 2014 was ₹ 267.52 million, although our profit before taxes as restated for fiscal 2014 was ₹ 1,067.30 million. The difference was primarily attributable to working capital adjustments for an increase in trade and other receivables of ₹ 1,581.25 million, offset in part by an increase in current liabilities of ₹ 635.43 million, as well as depreciation and amortization costs of ₹ 328.43 million and interest expenses of ₹ 266.14 million.

Net cash from operating activities in fiscal 2013 was ₹ 180.66 million, although our profit before taxes as restated for fiscal 2013 was ₹ 764.35 million. The difference was primarily attributable to working capital adjustments for an increase in trade and other receivables of ₹ 1,406.87 million, offset in part by an increase in current liabilities of ₹ 706.25 million, as well as depreciation and amortization costs of ₹ 335.77 million and interest expenses of ₹ 167.92 million.

Net cash from operating activities in fiscal 2012 was ₹ 420.53 million, although our profit before taxes as restated for fiscal 2012 was ₹ 782.36 million. The difference was primarily attributable to working capital adjustments for an increase in trade and other receivables of ₹ 1,223.32 million, offset in part by an increase in current liabilities of ₹ 762.64 million, as well as depreciation and amortization costs of ₹ 262.71 million and interest expenses of ₹ 130.20 million.

Net cash from operating activities in fiscal 2011 was ₹ 515.64 million, while our profit before taxes as restated for fiscal 2012 was ₹ 565.38 million. Although we recorded working capital adjustments for an increase in trade and other receivables of ₹ 872.53 million, this was offset by an increase in current liabilities of ₹ 701.80 million, as well as depreciation and amortization costs of ₹ 144.43 million and interest expenses of ₹ 81.36 million.

Investing Activities

Our expenditure for investing activities primarily relates to the purchase of fixed assets comprising property, plant and equipment used in our projects (including capital work in progress) and bank deposits not considered as cash and cash equivalent, offset in each fiscal by minor disposal of such fixed assets, and interest and dividends received.

Net cash used in investing activities in fiscal 2015 was ₹ 452.46 million, resulting from purchase of fixed assets, including capital work in progress, of ₹ 524.98 million, offset in part by interest income of ₹ 54.13 million and bank deposits (not considered as cash and cash equivalents) of ₹ 15.63 million.

Net cash used in investing activities in fiscal 2014 was ₹ 415.98 million, resulting from purchase of fixed assets, including capital work in progress, of ₹ 374.35 million and bank deposits (not considered as cash and cash equivalents), ₹ 106.69 million, offset in part by interest income of ₹ 57.21 million.

Net cash used in investing activities in fiscal 2013 was ₹ 397.91 million, resulting from purchase of fixed assets, including capital work in progress, of ₹ 388.48 million and bank deposits (not considered as cash and cash equivalents), ₹ 69.29 million, offset in part by interest income of ₹ 42.23 million.

Net cash used in investing activities in fiscal 2012 was ₹ 719.36 million, resulting from purchase of fixed assets, including capital work in progress, of ₹ 741.12 million and bank deposits (not considered as cash and cash equivalents), ₹ 20.53 million, offset in part by interest income of ₹ 40.17 million.

Net cash used in investing activities in fiscal 2011 was ₹ 700.37 million, resulting from purchase of fixed assets, including capital work in progress, of ₹ 607.21 million and bank deposits (not considered as cash and cash equivalents), ₹ 118.26 million, offset in part by interest income of ₹ 24.40 million.

Financing Activities

Net cash generated from financing activities in fiscal 2015 was ₹ 419.38 million, resulting primarily from proceeds from borrowings of ₹ 725.01 million, offset in part by interest payments of ₹ 287.73 million and dividends and dividend taxes of ₹ 17.90 million.

Net cash generated from financing activities in fiscal 2014 was ₹ 162.97 million, resulting primarily from borrowings of ₹ 402.18 million, offset in part by interest payments of ₹ 226.63 million and dividends and dividend taxes of ₹ 12.58 million.

Net cash generated from financing activities in fiscal 2013 was ₹ 294.76 million, resulting primarily from borrowings of ₹ 458.64 million, offset in part by interest payments of ₹ 151.38 million and dividends and dividend taxes of ₹ 12.50 million.

Net cash generated from financing activities in fiscal 2012 was ₹ 273.26 million, resulting from borrowings of ₹ 405.03 million, offset in part by interest payments of ₹ 110.69 million and dividends and dividend taxes of ₹ 21.08 million.

Net cash generated from financing activities in fiscal 2011 was ₹ 158.36 million, resulting from borrowings of ₹ 263.29 million, offset in part by interest payments of ₹ 80.47 million and dividends and dividend taxes of ₹ 24.46 million.

Capital Expenditures

Our capital expenditures have historically consisted of plant and equipment for our construction operations. In fiscal 2011, 2012, 2013, 2014 and 2015, we invested ₹ 607.21 million, ₹ 741.12 million, ₹ 388.48 million, ₹ 374.35 million and ₹ 524.98 million, respectively, on fixed assets primarily construction equipment such as material handling equipment, cranes, transportation equipment, welding equipment, batching plants, concrete pumps, dozers, modern laboratory testing machines, inspection, measuring and testing equipment (IMTE) and condition monitoring equipment which enables us to quickly and effectively mobilise project works. As of June 30, 2015, our equipment base included 261 cranes, ranging from 10 tonne to 300 tonne in capacity.

Our capital expenditure requirements are dependent on the nature of projects awarded to us. While based on our Order Book, we do not expect to incur significant capital expenditure in the next 12 months, we may be required to make significant capital investments if a project awarded to us requires us to do so. We propose to finance these expenditures through borrowings, net proceeds of the Offer and internal accruals or any combination thereof.

Indebtedness

As of March 31, 2015, we had long term debt of ₹ 365.75 million and short term borrowings of ₹ 1,997.41 million. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2015, and our repayment obligations in the periods indicated:

Particulars	As of March 31, 2015				
	Payment due by period				
	Total	Less than 1 year	1-3 years	3 -5 years	More than 5 years
	(₹ in million)				
Term Loans					
Secured	578.27	212.52	365.75	-	-
Unsecured*	133.63	133.63	-	-	-
Total term loans	**711.90**	**346.15**	**365.75**	-	-
Short Term Borrowings**					
Secured	1,997.41	1,997.41		-	-
Unsecured	-	-		-	-
Total Short Term	**1,997.41**	**1,997.41**		-	-

Note:
**Represents deferred credit by suppliers against acquisition of fixed asstes.*
** *Short term borrowings are repayable on demand subject to renewal.*

For further information, see the section titled *"Financial Indebtedness"* on Page 393.

Contingent Liabilities and Capital Commitments

The following table sets forth certain information relating to our contingent liabilities as of March 31, 2015:

Particulars	Amount (₹ in million)
A) Contingent Liabilities	
Claims against the Company not acknowledged as debts- sales tax	63.73
Claims against the Company not acknowledged as debts- service tax	42.81
B) Capital Commitments	
Capital Commitments	80.49
Total	187.03

In addition to the above, the following table sets forth the bank guarantees issued by our bankers' on our behalf as of March 31, 2015:

Particulars	Amount (₹ in million)
Guarantees given by the Company's bankers and outstanding which are covered by way of pledge of fixed deposits with banks.	5,487.80
Total	5,487.80

Except as disclosed above or in our Restated Consolidated Financial Statements included in this Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors. We do not have any off-balance sheet arrangements, derivative instruments or other relationships with unconsolidated entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. Primarily these transactions include managerial remuneration, rental payments and purchase of fixed assets. For further information relating to our related party transactions, see our Restated Consolidated Financial Statements included in the section titled *"Financial Statements"* on Page 285.

Interest Service Coverage Ratio

The interest service coverage ratio, which we define as earnings before interest and tax (EBIT) divided by interest cost in fiscal 2013, 2014 and 2015, was 5.55, 5.01 and 4.62, respectively.

Auditors Remarks - Matters relating to Companies (Auditors' Report) Order, 2003

Our statutory auditors have in their report on our Restated Consolidated Financial Statements stated that there were no audit qualifications either relating to our Company or any of its subsidiaries. However, the auditors have highlighted certain matters relating to the Companies (Auditors' Report) Order, 2003, annexed to the audit reports on our audited financial statements for fiscal 2011, 2012, 2013, 2014 and 2015 and as more fully disclosed in Annexure IV note 2(c) of our Restated Consolidated Financial Statements beginning on Page 302. For further information on such matters relating to, among other factors, delays in payment of certain statutory dues, and certain inadequacies in financial reporting procedures of our Company, see Annexure IV note 2 (c) of our Restated Consolidated Financial Statements.

Quantitative and Qualitative Disclosures about Market Risk *Exchange Rate Risk*

Changes in currency exchange rates influence our results of operations. A portion of our revenues, particularly relating to our international operations, is denominated in currencies other than Indian rupees, most significantly the U.S. dollar. Depreciation of the Indian rupee against the U.S. dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of financing any debt denominated in foreign currency that we may enter into in the future or any proposed capital expenditure in foreign currencies.

Interest Rate Risk

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by debt and increases in interest expense may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Credit Risk

We are exposed to credit risk on amounts owed to us by our clients. If our clients do not pay us promptly, or at all, it may impact our working capital cycle and/or we may have to make provisions for or write-off on such amounts.

Commodity Price Risk

We generally do not enter into long-term firm price contracts for the supply of our key raw materials. Therefore fluctuations in the price and availability of these raw materials may adversely affect our business and results of operations.

Known Trends or Uncertainties

Other than as described in this Red Herring Prospectus, particularly in the sections titled *"Risk Factors"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on Page 16 and 363, respectively, to our knowledge, there are no trends or uncertainties that have or had or are expected to have a material adverse impact on our income from continuing operations.

Seasonality of Business

Our operations may be adversely affected by severe weather, which may require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of equipment or facilities resulting in the suspension of operations, and may prevent us from delivering materials to our jobsites 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 the monsoon season, each of which may restrict our ability to carry on construction activities and fully utilize our resources. We record revenues on the percentage of completion method that is based upon the percentage of the cost incurred as of a specific date to the total estimated contract cost, and revenues are not recognized until there is reasonable progress on a contract. 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. Revenues recorded in the first half of our financial year between April and September are traditionally lower compared to revenues recorded during the second half of our financial year.

Future Relationship between Costs and Income

Other than as described elsewhere in this section titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"*, and in the section titled *"Risk Factors"* on Page 363 and 16, to our knowledge, there are no known factors which will have a material adverse impact on our operations and finances.

Significant Dependence on a Single or Few Customers

Revenues from any particular client may vary significantly from reporting period to reporting period depending on the nature of ongoing contracts and the implementation schedule and stage of completion of such contracts. Accordingly, our top clients may vary significantly from reporting period to reporting period. In fiscal 2012, 2013, 2014 and 2015, revenue from our top five clients in such periods represented 31.98%, 60.10%, 64.75% and 56.47%, respectively, of our total revenue from operations in such periods, while revenue from our top client in such periods represented 9.09%, 29.98%, 34.15% and 26.84%, respectively, of our total revenue from operations in such periods. Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations if we do not achieve our expected margins or suffer losses on one or more of these large contracts.

Significant developments after March 31, 2015 that may affect our Future Results of Operations

Except as stated in this Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, the operations or profitability of the Company, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Our Board of Directors have, in their meeting held on July 7, 2015, recommended a dividend of Re. 1 per Equity Share at a rate of 10% for each Equity Share for the year ended March 31, 2015. Declaration of this dividend is subject to approval of our shareholders in a duly convened annual general meeting.

Except as stated in this Red Herring Prospectus, there is no development subsequent to March 31, 2015 that we believe is expected to have a material impact on the reserves, profits, earnings per share and book value of the Company.

FINANCIAL INDEBTEDNESS

As on May 31, 2015, the aggregate outstanding borrowings of our Company on a standalone basis are as follows:

(₹ *in million*)

S. No.	Nature of Borrowing	Amount
1.	Secured Borrowings	2,460.41
2.	Unsecured Borrowings	0.00

I. FACILITIES OBTAINED BY OUR COMPANY AS ON MAY 31, 2015

A. Secured Borrowings

1. Financial facility availed from Citibank N.A., Hyderabad ("Citibank")

Sanction letter dated June 26, 2012, goods security agreement dated November 19, 2012, memorandum of entry for creation and extension of charge dated March 28, 2013, sanction letter dated August 13, 2013, guarantees provided by S. Kishore Babu, S. Lakshmi, S. Rohit and M/s Lakshmi Agro Farms, all dated August 16, 2013, deed of confirmation issued by S. Rohit, Lakshmi Agro Farms, S. Lakshmi and S. Kishore Babu, each dated August 16, 2013, letter of continuity and promissory note dated August 16, 2013, deed of modification dated August 30, 2013, loan agreement for property mortgage dated August 30, 2013, letter dated February 19, 2015 and sanction letter dated March 3, 2015.

(₹ *in million, unless stated otherwise*)

Sanctioned amount	Amount outstanding as on May 31, 2015	Interest/ Commission	Purpose of Loan/Repayment/Security
Working capital: 50.00	49.97	10.75% p. a.	• Working capital fund based facility has been availed for meeting working capital purposes, including invoice discounting (BHEL), cash credit and working capital demand loan. • The dues are payable to Citibank on demand. • The facility is secured by first charge on the stocks of raw materials, goods, book debts, outstanding monies, receivables, claims, bills, investments, movable plant, machinery, vehicles and equipments of our Company, both present and future, in a form and manner, satisfactory to Citibank, ranking *pari passu* with other working capital lenders of the Company and irrevocable; unconditional guarantee provided by S. Kishore Babu, S. Lakshmi, S. Rohit and Lakshmi Agro Farms and promissory note as a continuing security.

The aforesaid facility availed by our Company from Citibank imposes several restrictive covenants on our Company, including:

Our Company shall give a prior written notice of at least 15 (fifteen) days to Citibank before (a) declaring or paying dividends in respect of any financial year, if any event of default has occurred; (b) effecting any amalgamation, merger, reconstruction or consolidation; (c) effecting any material change in its shareholding, ownership or control whereby its effective beneficial ownership or control will change; (d) make any corporate investments or investment by way of share capital or advance funds or monies or place deposits with any other person, except as required under law; and (e) create or permit to subsist any encumbrance, mortgage or charge over all or any of the present or future properties, assets or revenues of the Borrower other than the already existing charges in favour of other financial institutions and banks which shall have been disclosed to Citibank in writing.

Our Company has received a letter dated September 22, 2014 from Citibank permitting it to do the above acts with respect to the Issue.

2. Financial facility availed from State Bank of India, Hyderabad ("SBI")

Sanction letters dated August 28, 2013 and November 13, 2014, agreement of loan for overall limit dated August 30, 2013, letter regarding grant of individual limits within the overall limit dated August 30, 2013, agreement for hypothecation of goods and assets dated August 30, 2013, deed of guarantee dated August 30, 2013, supplemental agreement of loan for increase in the overall limit dated November 15, 2014, letter regarding grant of individual limits within the overall limit dated November 15, 2014, supplemental agreement of hypothecation for goods and assets for increase in the overall limit dated November 15, 2014 and a supplemental deed of guarantee for increase in overall limit dated November 15, 2014.

(*₹ in million, unless stated otherwise*)

Sanctioned amount	Amount outstanding as on May 31, 2015	Interest/ Commission	Purpose of Loan/Repayment/Security
Cash Credit/ WCDL: 800.00	CC: 803.23* WCDL: 4.07	as determined by SBI from time to time, presently being 10.35% (WCDL) p.a. and 11.20% p.a. (CC)	• Cash credit facility has been availed for meeting our Company's working capital requirements. • Every tranche drawn under the term loan shall be repaid in 42 monthly instalments after a moratorium period of 6 months. • The facility is secured by a mortgage of all the Company's immovable properties and a first charge on the goods, movables, documents of title to goods and other assets, claims and all machinery, present and future, in a form satisfactory to SBI and irrevocable and unconditional guarantee provided by S. Kishore Babu, S. Lakshmi, S. Rohit and Lakshmi Agro Farms.
Term loan: 44.80	35.67	12.45% p.a.	
Bank guarantee: 150.00	137.71	0.75% p.a.	

**The amount outstanding in excess of the sanctioned limit pertains to interest for the month of May 2015.*

The aforesaid facility availed by our Company from SBI imposes several restrictive covenants on our Company, including:

(i) SBI has the right to appoint a nominee director on the Board of the Company.

(ii) Our Company shall not compound or release any of the book-debts whereby the recovery of the same may be impeded, delayed or prevented, without prior written consent from SBI.

(iii) Our Company is required to provide a written notice of at least 7 days to SBI before issuing any notice to its members in respect of payment of any call or issue or create any existing or new shares and may be required by SBI to deposit the share application money in a joint account maintained by our Company and SBI.

(iv) Our Company shall take the prior consent of SBI before varying the shareholding of its shareholders who are Directors, principal shareholders and Promoters.

(v) Out Company shall not, without the prior written consent of SBI, (a) change or in any way alter its capital structure; (b) effect any scheme of amalgamation or reconstitution, (c) implement a new scheme of expansion or take up an allied line of business or manufacture; (d) declare dividend or distribute profits (only when the repayment of principal and payment of interest on the facility is irregular); (e) borrow or obtain credit facilities from any other banks or credit agency; and (f) invest any funds or monies by way of deposits or give advances to subsidiaries, except during normal course of business.

(vi) The events of default in relation to the term loan are (a) any instalment of the principal remaining unpaid after the due date for payment thereof as expired; (b) any interest remaining unpaid after the same have become due whether demanded or not; (c) the Company committing any breach or default in the performance or observance of any of the covenants contained in the agreement and/or the Company's proposal and/or the security documents or any other term or condition relating to the term loans; (d) the Company entering into any arrangement or composition with the Borrower's creditors or committing any act of insolvency; (e) any execution or distress being enforced or levied against the whole or any part of the Company's property; (f) on a winding up petition being filed or the Company being a limited company going into liquidation (except for the purpose of amalgamation or reconstruction); (g) a receiver being appointed in respect of the whole or any part of the property of the Company; (h) the Company ceasing, or threatening to cease, to carry on business; (i) the occurrence of any circumstance which is prejudicial to or impairs, imperils or depreciates or which is likely to prejudice, impair, imperil or depreciate the security given to SBI; and (j) the occurrence of any event or circumstance which prejudicially or adversely affect in any manner the capacity of the Company to repay the amount due under the term loans.

Our Company has received a letter dated September 24, 2014 from SBI permitting it to do the above acts with respect to the Issue and waiving it from depositing the application money in the Issue in a joint account.

3. Financial facility availed from ICICI Bank Limited, Hyderabad ("ICICI Bank")

Credit arrangement letters dated September 18, 2012, December 19, 2013 and January 9, 2015, facility agreement dated October 3, 2012, deed of guarantee dated October 3, 2012, deed of hypothecation dated October 3, 2012 and amendment to facility agreement dated February 12, 2015.

(₹ *in million, unless stated otherwise*)

Sanctioned amount	Amount outstanding as on May 31, 2015	Interest/ Commission	Purpose of Facility/Repayment/Security
Cash credit: 50.00	19.72	11.50% p.a.	• This facility has been availed for meeting our Company's working capital requirements. • Cash credit facility is repayable on demand. • The facility is secured by first pari passu charge on entire current assets of the Company, unencumbered fixed assets of the Company (excluding those assets against which charge was already given to equipment financiers or to be created out of vehicle/ equipment financing loans), both present and future, along with other working capital lenders and term loan of SBH, equitable mortgage of immovable properties provided as collateral security to other working capital lenders and term loan of SBH on first pari passu basis and unconditional guarantee by S. Kishore Babu, S. Lakshmi, S. Rohit, S. Vignatha and Lakshmi Agro Farms.
Sub limits:			
• *Working capital demand loan : 50.00*	*30.00*	*11.25% p.a.*	
Performance Bank Guarantee: 300.00	247.32	0.60% p.a.	
Sub limits:			
• *Financial guarantee: 100.00*	*1.85*	*0.75% p.a.*	
• *Letter of credit: 50.00*	-	-	
• *Letter of undertaking for buyer's credit: 50.00*	-	-	

The aforesaid facility availed by our Company from ICICI imposes several restrictive covenants on our Company, including:

Our Company shall not without the prior written approval of ICICI (a) undertake or permit any merger or de-merger, consolidation, reorganisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstitution including creation of any subsidiary or permit any company to become its subsidiary; (b) declare or pay any dividend or authorise any distribution to its shareholders unless all dues under the facility have been paid; (c) make any investments in any concerns or provide any credit or give any guarantee or indemnity, except as may be allowed under the facility agreement; (d) buy back, cancel, retire, reduce, redeem, repurchase, purchase or otherwise acquire any of its share capital; or (e) issue any further share capital whether on a preferential basis or otherwise or change its capital structure in any manner.

Our Company has received a letter dated September 17, 2014 from ICICI permitting it to do the acts required with respect to the Issue.

4. Financial facilities availed from Standard Chartered Bank, Hyderabad ("SCB")

(a) Sanction letter dated May 25, 2011, loan cum guarantee cum hypothecation agreement dated June 13, 2011.

(₹ in million, unless stated otherwise)

Sanctioned amount	Amount outstanding as on May 31, 2015	Interest/ Commission	Purpose of Facility/Repayment/Security
Financial guarantees/ Standby letter of credit: USD 1,480,000	-	-	• This facility has been availed to meet working capital requirements of the Company. • Repayable from time to time as provided in the repayment schedule for each tranche. • This facility is secured by hypothecation of any equipment(s) purchased through the proceeds of this facility and personal guarantees of S. Kishore Babu and S. Lakshmi.
Asset backed finance: 2.50	-	-	
Bond and guarantees: 150.00	-	-	
Overdraft: 50.00	-	-	
Sub limits: • *Exports bill discounting: 50.00*	-	-	
• *Short term loans: 50.00*	-	-	
Asset backed finance: 250.00	-	-	
Sub limit: • *Financial guarantees/ Standby letter of credit: USD 5,500,000*	-	-	
Import letter of credit : USD 5,500,000	48.72*	0.75% p.a. and 1.98% p.a.**	

* *USD 0.76 million (Exchange rate as on May 31, 2015)*
***0.75% p.a. towards USD 0.28 million and 1.98% towards USD 0.48 million*

The aforesaid facility availed by our Company from SCB imposes several restrictive covenants on our Company, including:

(i) Our Company shall take the prior written consent of SCB before (a) changing the business of the Company; or (b) making any material changes in the ownership, control or management of the Company.

(ii) SCB has a right to cancel undrawn portions of the facility and demand repayment of all outstanding amounts.

Our Company has received a letter dated August 20, 2014 from SCB permitting it to do the acts required with respect to the Issue.

(b) Sanction letters dated June 17, 2010, June 7, 2012, June 17, 2013 and August 6, 2014, unattested memorandum of hypothecation dated July 26, 2010, supplemental hypothecation agreement dated June 7, 2012, May 30, 2013 and August 11, 2014, working capital demand loan agreement dated

August 11, 2014, counter guarantee and indemnity dated July 26, 2010, deed of charge and irrevocable lien and set-off over fixed deposits/cash deposits dated August 11, 2014 personal guarantee of S. Kishore Babu and S. Lakshmi dated August 11, 2014, packing credit undertaking cum indemnity dated August 11, 2014, Post shipment undertaking cum indemnity dated August 11, 2014, Undertaking cum indemnity for bill discounting limit dated August 11, 2014, bank guarantee indemnity dated August 11, 2014, LC indemnity dated August 11, 2014 and memorandum of entry for creation and extension of mortgage dated February 27, 2015.

(*₹ in million, unless stated otherwise*)

Sanctioned amount	Amount availed upto May 31, 2015	Interest/ Commission	Purpose of Facility/Repayment/Security
Overdraft facility: 250.00	-	-	• This facility has been availed to meet working capital requirements of the Company. • This facility is repayable from time to time as mentioned in the sanction letter. • This facility has been secured by a first charge over all present and future book debts, outstanding money receivable, claims and bills, unencumbered movable properties of the Company, stock in trade; irrevocable and unconditional guarantee and indemnity provided by our Company to SCB; promissory note as continuing security; first and second pari passu charge on certain immovable properties of the Company; charge and irrevocable lien and set-off over deposit of ₹ 20 million; personal guarantee of S. Kishore Babu and S. Lakshmi.
Sub limits:			
• *Short term loans facility: 250.00*	-	-	
• *Overdraft facility: 100.00*	-	-	
• *Export bills discounting facility: 250.00*	-	-	
• *Import invoice financing facility: 250.00*	-	-	
• *Pre-shipment financing under export orders facility: 250.00*	*250.00*	*11.30% p.a.* and 11.35% p.a.***	
• *Import letter of credit: 250.00*	-	-	
Term loans: 42.50	-	-	
Sub limits:			
• *Financial guarantees/ standby letter of credit: USD 500,000*	-	-	
Bond and guarantees: 200.00	160.21***	0.75% p.a.	
Sub limits:			
• *Commercial standby letter of credit: 50.00*	*14.81*	*0.75% p.a.*	
Import letter of credit: USD 1,110,000	-	-	

* *Towards ₹ 150 million out of the total outstanding of ₹ 250 million*
** *Towards ₹ 100 million out of the total outstanding of ₹ 250 million*
*** *Includes AED 0.05 million (Exchange rate as on May 31, 2015)*

The aforesaid facility availed by our Company from SCB imposes several restrictive covenants on our Company, including requirement of prior consent from SCB before (a) creating any charge, mortgage, pledge, hypothecation, lien or other encumbrance over the security or any other assets; or (b) permitting any change in its constitution or management.

Our Company has received a letter dated August 20, 2014 from SCB permitting it to do the acts required with respect to the Issue.

5. **Financial facility availed from State Bank of Hyderabad, Vijayawada ("SBH")**

(a) Sanction letters dated March 8, 2013, agreement of loan for overall limit dated March 28, 2013, deed of guarantee dated March 28, 2013, agreement for hypothecation of goods and assets dated March 28, 2013, sanction letter dated January 6, 2014 and memorandum of entry dated February 17, 2014, sanction letter dated February 16, 2015, supplemental agreement of loan for increase in the overall limit, letter regarding the grant of individual limits within the overall limit and supplemental deed of guarantee for increase in overall limit, dated March 9, 2015.

(*₹ in million, unless stated otherwise*)

Sanctioned amount	Amount outstanding as on May 31, 2015	Interest/ Commission	Purpose of Loan/Repayment/Security
Cash credit: 550.00	551.91*	10.80% p.a.	• This facility has been availed to meet working capital requirements of the Company. • This facility is secured by mortgage of the Company's immovable properties, both present and future, first charge of Company's entire goods, movables and other assets, claims and irrevocable and unconditional guarantee by S. Kishore Babu, S. Lakshmi, S. Rohit and Lakshmi Agro Farms.
Bank guarantee: 5350.00	4495.00	0.60% p.a., chargeable on quarterly basis	
Sub limit of bank guarantee:			
• *Letter of credit: 500.00*	*22.34*	*1.50% p.a.*	
• *Letter of credit for capex: 100.00*	*145.21***	*1.88% p.a.*	
• *Foreign Bank Guarantee: 800.00*	*655.07****	*0.60% p.a., chargeable on quarterly basis*	

* *Includes an amount of ₹ 1.91 million towards interest for the month of May 2015.*
***USD 2.28 million (Exchange rate as on May 31, 2015). The excess amount of ₹ 45.21 million pertains to the amount outstanding towards the limit sanctioned under sanction letter dated January 6, 2015.*
*** *USD 4.34 million and SAR 2.22 million (Exchange rate as on May 31, 2015)*

The following provisions are applicable in relation to the aforesaid facility availed by our Company from SBH:

(i) SBH has a right to appoint a nominee director on our Board during the subsistence of this facility.

(ii) SBH has been appointed as an attorney to, *inter alia*, take over and carry on the business of our Company and complete engagement and contracts.

The aforesaid facility availed by our Company from SBH imposes several restrictive covenants on our Company, including requirement of prior written consent from SBH before (a) varying the shareholding of the Directors and principal shareholders of the Company; (b) change or in any way alter the capital structure of the Company; (c) effect any scheme of amalgamation or reconstruction; (d) implement a new scheme of expansion or take up an allied lien of business or manufacture; (e) enlarge the scope of manufacturing/ trading activities, if any, undertaken at the time of the application; (f) withdraw or allow to be withdrawn any monies brought in by the promoters and directors or relatives and friends of the promoters and directors of the Company; (g) invest any funds by way of deposits or loans or in share capital of any other concern (including subsidiaries) so long as amounts are due to SBH; (h) borrow or obtain credit facilities of any description from any other bank or credit agency or money lenders or enter into any hire purchase agreement during the subsistence of the liability to SBH.

Our Company has received a letter dated September 10, 2014 from SBH permitting it to do the acts required with respect to the Issue.

(b) Our Company has availed an overdraft limit of ₹ 91.80 million from SBH against a deposit of ₹

102.05 million for business purposes. The applicable rate of interest is 10.15% p.a. The outstanding balance as on May 31, 2015 is ₹ 57.68 million.

6. Financial facility availed from RBL Bank Limited ("RBL")

Sanction letter dated January 22, 2015, working capital agreement dated January 24, 2015, deed of guarantee dated January 24, 2015, counter indemnity for guarantee limit dated January 24, 2015, agreement for irrevocable documentary letter of credit dated January 24, 2015, letter of continuity and demand promissory note dated January 24, 2015, letter of lien dated January 24, 2015 and addendum letter dated March 26, 2015.

(*₹ in million, unless stated otherwise*)

Sanctioned amount	Amount outstanding as on May 31, 2015	Interest/ Commission	Purpose of Loan/Repayment/Security
WCDL: 240.00 *Sub limits:* • *Cash credit: 240.00* • *Bank guarantee: 150.00* • *Letter of credit: 150.00*	240.00 - - -	11.85% p.a. - - -	• This facility has been availed to meet working capital requirements of our Company. • This facility is payable on demand. • The facility is secured by first pari passu charge on entire current assets of our Company, unencumbered movable fixed assets of our Company, both present and future, along with other members of the multiple banking arrangement, and certain fixed assets, and unconditional and irrevocable personal guarantee by S. Kishore Babu and S. Lakshmi.

The aforesaid facility availed by our Company from RBL imposes several restrictive covenants on our Company, including requirement of prior written consent from RBL before (a) creating any charge, pledge, hypothecation, lien and other encumbrance over the security in favour of any person other than RBL; (b) change or in any way alter the capital structure of the Company; (c) effect any scheme of amalgamation or reconstruction; (d) declare any dividend if any instalment towards principal or interest remains unpaid on its due date to RBL; (e) carry out change of business or declare or pay any dividends on any of the equity/ preference shares; (f) withdraw or allow to be withdrawn any monies brought in by the promoters/ directors/ associate companies; (g) invest by way of share capital or lend or advance funds to place deposits with any other concerns, except in normal course of business or as advances to employees; (h) grant loans to promoters/ associates and other companies; (i) create, assume or incur any further indebtedness of a long term nature whether for borrowed or otherwise or undertake any guarantee obligation on behalf of any other company (including group companies); (j) make any repayment of the loans and deposits and discharge other liabilities expect those shown in the funds flow statement submitted from time to time.

Our Company has received a letter dated March 5, 2015 from RBL permitting it to do the acts required with respect to the Issue.

II. VEHICLE/ EQUIPMENT LOANS AVAILED BY OUR COMPANY AS ON MAY 31, 2015

1. Loans availed from Axis Bank Limited ("Axis Bank").

We have entered into certain arrangements with Axis Bank for the purposes of financing purchase of 128 motor vehicles and/ or construction equipment for the Company. The total amount outstanding as on May 31, 2015 is ₹ 180.51 million. The rate of interest for the above vehicle/equipment loans vary from 9.51% p.a. to 11.50% p.a. and are usually repayable within 35 to 58 monthly instalments. The vehicles/ equipments acquired pursuant to these loans have been hypothecated. Some of these loans have also been irrevocably guaranteed by our Promoters, S. Kishore Babu and S. Lakshmi. Under the terms of the above loans, some of the corporate and other actions for which we need the prior written consent of Axis Bank are undertaking or permitting any merger, demerger, compromise, reconstruction, change in ownership or control of the Company, material changes in the management of the Company and amendments to memorandum and articles of association.

Our Company has received a letter dated September 9, 2014 from Axis Bank permitting it to do the acts required with respect to the Issue.

2. Loans availed from ICICI Bank.

We have entered into certain arrangements with ICICI Bank for the purposes of financing purchase of 9 motor vehicles and/ or construction equipment for the Company. The total amount outstanding as on May 31, 2015 is ₹ 111.87 million. The rates of interest for the above vehicle/ equipment loans vary from 12.24% p.a. to 12.25% p.a. and are usually repayable within 33 to 35 monthly instalments. The vehicles/ equipments acquired pursuant to the loans have been hypothecated.

3. Loans availed from HDFC Bank Limited ("HDFC Bank").

We have entered into certain arrangements with HDFC Bank for the purposes of financing purchase of 24 motor vehicles and/ or construction equipment for the Company. The total amount outstanding as on May 31, 2015 is ₹ 26.20 million. The rates of interest for the above vehicle/ equipment loans vary from 9.52% p.a. to 11.51% p.a. and are usually repayable within 36 monthly instalments. The vehicles/ equipments acquired pursuant to the loans have been hypothecated. Some of these loans have been irrevocably guaranteed by one of our Promoters, S. Lakshmi.

4. Loans availed from SREI Equipment Finance Private Limited ("SREI").

We have entered into certain arrangements with SREI for the purposes of financing purchase of 6 motor vehicles and/ or construction equipment for the Company. The total amount outstanding as on May 31, 2015 is ₹ 3.12 million. The rate of interest for the above vehicle/ equipment loans vary from 9.09% p.a. to 9.33% p.a. and are repayable within 58 monthly instalments. The vehicles/ equipments acquired pursuant to the loans have been hypothecated. Under the terms of the above loans, we need the prior written consent of SREI for reorganisation including change in ownership structure of our Company. Our Company has received a letter dated October 16, 2014 from SREI permitting it to do the same with respect to the Issue.

5. Loans availed from Kotak Mahindra Bank Limited ("Kotak")

We have entered into certain arrangements with Kotak for the purpose of financing of 6 motor vehicles and/ or construction equipment for our Company. The total amount outstanding as on May 31, 2015 is ₹ 11.98 million. The rate of interest for the above vehicle/ equipment loans vary from 10.30% p.a.to 10.50% p.a. and are repayable within 35 monthly instalments. The vehicles/ equipments acquired pursuant to the loans have been hypothecated.

6. Loans availed from Tata Capital Financial Services Limited ("TCFSL")

We have entered into an arrangement with TCFSL for the purpose of financing of 3 equipments for our Company. The total amount outstanding as on May 31, 2015 is ₹ 14.05 million. The rate of interest for the above equipment loans vary from 1.61 p.a. % to 3.73 % p.a. and are repayable within 35 monthly instalments. The equipment acquired pursuant to the loan has been hypothecated.

7. Loans availed from HDB Financial Services Limited ("HDB")

We have entered into an arrangement with HDB for the purpose of financing of 1 equipment for our Company. The total amount outstanding as on May 31, 2015 is ₹ 39.59 million. The rate of interest for the above equipment loan is 12.76 % p.a. and is repayable within 35 monthly instalments. The equipment acquired pursuant to the loan has been hypothecated. This loan has been irrevocably guaranteed by our Promoters, S. Kishore Babu and S. Lakshmi.

B. Unsecured borrowings

Our Company does not have any unsecured loans as on the date of this Red Herring Prospectus.

III. LOANS BY GROUP COMPANIES TO OUR COMPANY

Our Company has not availed of any loans from Group Companies.

SECTION VI: LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND DEFAULTS

Except as stated in this section, (i) there are no winding up petitions, no outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, Subsidiaries, Directors, Promoters and Group Companies or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, and (ii) there are no defaults including non-payment or overdue of statutory dues, overdues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, Promoters or Group Companies defaults in creation of full security as per the terms of issue/other liabilities, proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company except as stated below, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Subsidiaries, Directors, Promoters and Group Companies.

Neither our Company nor our Promoters or Group Companies have been declared as wilful defaulters by the RBI, or any other Governmental authority and except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them or any person or entity connected with them. All terms defined in a particular litigation are for that particular litigation only.

LITIGATION INVOLVING OUR COMPANY

I. Outstanding litigation/ proceedings filed against our Company

A. Criminal proceedings

1. A criminal case bearing No. 225/ALC/J has been filed against our Company and the managing director, S. Kishore Babu ("**Accused**") before the Court of Additional Chief Judicial Magistrate, Jangipur, Murshidabad under Section 50(1) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**") for violation of Section 7 of the Act read with rule 23 and violation of rule 238(1) of the West Bengal Buildings and Other Construction Workers Rules, 2004 on a complaint by the Inspector, under the Act, Jangipur ("**Petitioner**"). The Petitioner claimed that building workers were employed without obtaining a registration certificate from a competent authority and that the accused did not submit a notice of commencement of work. The Petitioner then served a notice to the accused, and the matter was brought before the Chief Inspector/ Labour Commissioner, Government of West Bengal who gave sanction to the Petitioner to prosecute the Accused through memo number 286/169/08/WBCWB, dated September 10, 2013, under Section 54 of the Act. The case is registered as CR Number 595/2013. The Accused filed a criminal revision petition number 8/2014 before the Additional District and Sessions Judge ("**ADJ**"), Jangipur to set aside the order dated October 10, 2013 passed by the Additional Chief Judicial Magistrate, Jangipur. Pursuant to this, ADJ, Jangipur passed an order dated January 17, 2014 under which the case bearing CR Number 595/2013 has been stayed till the next date of the revision petition. The matter is currently pending.

2. A criminal complaint, CA No. 3475/14 dated September 24, 2012 has been filed against our Company, the site in-charge, S. Kishore Babu in his capacity as the managing director of our Company and others, in the court of Chief Judicial Magistrate, Singrauli, Madhya Pradesh for violation of certain provisions of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The case has been admitted as case number 2926/12. The case is related to the death of a workman, Balaram Prasad who suffered from a fatal accident and subsequently died at the Company's site at Sasan (Madhya Pradesh) on April 19, 2012. The Company subsequently paid compensation of ₹ 0.54 million on May 17, 2012 through a demand draft number 614802 dated May 16, 2012 to the Commissioner for Workmen's Compensation, Labour Court, Sidhi. The Chief Judicial Magistrate, Singrauli has passed an order dated December 13, 2014 through which a fine of ₹ 2,000 has been imposed on S. Kishore Babu, which has been duly paid through a challan bearing serial no. 28 dated December 13, 2014.

3. A notice has been issued by the Labour Enforcement Officer (Central), Chhindwara, Madhya Pradesh on January 4, 2012 against our Company, represented by S. Kishore Babu, with respect to irregularities found at the Company's site at NTPC Vindhyachal, district Singrauli with respect to the Contract Labour (Regulation and Abolition) Act, 1970 (the "**Act**"). The Labour Enforcement Officer (Central), Satna (Madhya Pradesh) ("**Prosecutor**") has filed a criminal complaint, dated March 27, 2012 before the Chief Judicial Magistrate, Singrauli (Madhya Pradesh) against BHEL and our Company, represented by S. Kishore Babu (collectively, the "**Accused**") for the violations made under the Act and the case has been duly admitted as criminal case number 907/2012. On June 28, 2014 the First Class Judicial Magistrate, Singrauli (Madhya Pradesh) ("**JMFC**") has issued an arrest warrant against the Accused. Through an order dated Decemeber 13, 2014 the JMFC has imposed a fine of ₹ 500 each on the Accused which has been duly paid through a challan bearing no. 4755 (serial numbers 1 and 2) dated December 13, 2014.

4. A proceeding was initiated against our Company, represented by S Kishore Babu, the project manager, M Vijay Kumar and another (collectively, the "**Accused**") on December 13, 2011 based on an inquiry report dated July 29, 2011 under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**") in the court of the Chief Judicial Magistrate, Singrauli, Madhya Pradesh (the "**Authority**") for the violation of certain provisions of the Act. The inquiry was initiated after a fatal accident occurred at the Company's site at Korba wherein a workman, Gauri Shankar Sahu expired. The Company deposited a compensation amount of ₹ 0.45 million under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Labour Court, Sidhi on August 26, 2011. Thereafter, through its order dated April 23, 2012 the Authority registered a criminal case number 180/2011 against the Accused. The matter is currently pending. Also, after the fatal accident of Gauri Shankar Sahu, a criminal case number 4516/2011 was registered against the project manager, M Vijay Kumar and four others under section 304 A of the IPC before the First Class Judicial Magistrate, Singrauli in which a bailable arrest warrant was issued by the First Class Judicial Magistrate, Singrauli against the project manager through an order dated August 9, 2012. A revision petition was subsequently filed in the Court of District and Sessions Judge, Baidhan, Singrauli by the project manager on the grounds that a proceeding against him in the same matter is already pending under the Act, in the court of the Chief Judicial Magistrate, Singrauli. Order was passed on October 29, 2013 under which the review petition was dismissed. The Authority has issued an order dated December 13, 2014 wherein a fine of ₹ 2,000 each has been imposed on the Accused which has been duly paid through challan bearing serial numbers 25 to 27 dated December 13, 2014.

5. A final report under section 173 of the Criminal Procedure Code has been submitted in the court of the chief judicial magistrate ("**CJM**"), Korba on May 3, 2005 with respect to an accident and subsequent death of Ram Pravesh Prajapati and B Chinayya, both workers working at the site of the Company's contractor. After the inquiry, the accident was found to have been caused due to the negligence of K Shekhar Babu, the project manager, and two other engineers, working under our Company and a case under sections 304A, 337 and 338 of the Indian Penal Code was filed against them. This matter is currently pending.

6. A fatal accident occurred at our Company's site at Korba, Chhattisgarh on June 21, 2007 wherein a workman, Madan Soni met with a fatal accident. A first information report was filed on June 22, 2007 for negligence of the supervisor and contractor of our Company which resulted in the death of Madan Soni. In connection to this the site contractor, Sirajuddin, site in-charge of our Company and others (collectively, the "**Accused**") were taken into custody by the police on October 4, 2007 and were released on bail on October 5, 2007. The matter has been sent to Kotwali Korba police station for investigation.

B. Civil proceedings

Writ Petition

Mrigen Barbaraha ("**Petitioner**") has filed a writ petition (132 of 2014) before the Guwahati High Court against our Company and 8 others ("**Respondents**") alleging that one of the Respondents entered into a contract of civil, architectural and building works at Namrup in the district of Dibrugarh and that the Respondents later issued a tender for the same works contract that the Petitioner had already been assigned. The Petitioner has prayed that a writ of mandamus be issued directing the Respondents to pay the Petitioner the amounts incurred by him towards the works contract and that the effect and operation of the tender notification issued by one of the Respondents, dated December 18, 2013 be stayed. The petition is currently pending.

C. Labour matters

1. Our Company deposited a sum of ₹ 0.49 million for compensation to the dependants of its workman, Babulal Das, who met with a fatal accident while on duty at its site at Raghunathpur. The amount was deposited with the Commissioner for Workmen's Compensation, Durgapur on November 16, 2011.

2. A workman, Baljinder Singh suffered from an accident at the site of our Company at Chandrapur and subsequently expired due to injuries on October 1, 2011. A case was filed before the Commissioner for Workmen's Compensation, Chandrapur by the deceased person's father under Dis. WCA No. 18/2011 and a compensation amounting to ₹ 0.50 million by way of cheque number 212780 dated October 15, 2011 was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 for deposit of compensation for fatal accident by our Company.

3. A compensation amount was deposited by our Company through a cheque number 316693, dated November 29, 2011 for an amount ₹ 0.48 million as compensation amount to a worker, Sanjay Tirki who expired on October 31, 2011 while coming for duty at our Company's site at Korba.

4. Our Company deposited a sum of ₹ 0.65 million towards compensation given to the dependants of the workman, Awadesh Singh, who suffered from a fatal accident while on duty at their site at Barh. The amount was deposited on June 2, 2011 to the Commissioner for Workmen's Compensation, Patna.

5. A workman, named Shaikh Niyamat Ali met with an accident at the site of our Company at Anpara on February 23, 2011 and succumbed to his injuries. A sum of ₹ 0.43 million was deposited by the Company under Section 8(1) of the Workmen's Compensation Act, 1923, to the Commissioner for Workmen's Compensation, Pipri, Sonebhadra.

6. Our Company deposited a sum of ₹ 0.69 million towards compensation given to the dependants of the workman, Dilip Paswan who suffered from a fatal accident while on duty at their site at Barh. The amount was submitted to the Labour Commissioner, Patna on December 31, 2011.

7. Our Company deposited an amount of ₹ 0.61 million towards compensation for fatal accident of a workman, Gautam Shrivastav, at their site at Vindhyachal, Singrauli. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Sidhi on January 18, 2012. A complaint letter, dated May 29, 2012 has subsequently been filed against our Company through our director M Rajendran and others, in the Court of the Chief Judicial Magistrate, Singrauli, Madhya Pradesh under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**") by the factory inspector after irregularities under the Act were found in the inspection report of the deputy director of industrial health and safety, dated December 19, 2011 which was made after the accident. A penalty of ₹ 2,000 each has been imposed on M Rajendran and the site in-charge which has been duly paid.

8. The Commissioner for Workmen's Compensation and Joint Commissioner of Labour, Vishakhapatnam on September 2, 2011 passed an order in RC No. B/3610/2011 in which it directed our Company to deposit an amount of ₹ 0.87 million towards compensation to one of its workmen, GPN Balaram who suffered from a fatal accident at its site at Vishakhapatnam. The said amount was deposited by our Company through a demand draft number 134953.

9. Our Company deposited an amount of ₹ 0.62 million towards compensation for the fatal accident of a workman, Kedar Singh at its' site at Vindhyanagar, Singrauli. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Sidhi on May 23, 2012.

10. Our Company deposited an amount of ₹ 0.43 million towards compensation for the fatal accident of a workman, Bhushan Varma, at our Company's site at Raipur. The amount was deposited with the Commissioner for Workmen's Compensation, Raipur vide DD number 000635 dated September 1, 2012.

11. Our Company deposited an amount of ₹ 0.60 million towards compensation for fatal accident of a workman, Rajdev Yadav, at its site at Barh. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Deputy Labour Commissioner cum Workmen's Compensation Commissioner, Patna on August 16, 2012.

12. Our Company deposited an amount of ₹ 0.51 million towards compensation for fatal accident of a worker, Shammi Kumar, at its site at Barh. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Deputy Labour Commissioner cum Workmen's Compensation Commissioner, Patna on August 1, 2012.

13. Our Company deposited an amount of ₹ 0.77 million towards compensation for the fatal accident of a workman, Medhanand at its site at MRPL, Kalavar Village. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Workmen's Compensation Commissioner, Mangalore on August 10, 2012.

14. Our Company deposited an amount of ₹ 0.73 million towards compensation for the fatal accident of a worker, Baleshwar Sahani, at its' site at Mouda. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner for Workmen's Compensation, Nagpur on November 29, 2012.

15. Our Company deposited an amount of ₹ 0.89 million towards compensation for fatal accident of a workman, Alagu Kumar Yadav at its site at MRPL, Kalavar Village. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Labour Officer and Workmen's Compensation Commissioner, DK Sub division, Mangalore on February 16, 2013.

16. Our Company deposited a sum of ₹ 0.38 million towards compensation given to the dependants of the worker, Raj Kumar Ray, who suffered from a fatal accident while on duty at their site at Bankura. The amount was submitted to the Commissioner for Workmen's Compensation, Durgapur on November 12, 2010.

17. Our Company deposited an amount of ₹ 0.56 million towards compensation for fatal accident of a workman, Bablu Yadav at its site at Tamnar. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner for Employees' Compensation, Labour Court, Raigarh on November 15, 2012.

18. The Joint Commissioner of Labour, Guntur on July 24, 2013 passed an order in RC No. D/1736/2013 directing our Company to deposit ₹ 0.83 million as compensation to the dependants of a deceased workman, Gurpreet Singh, who died at work on June 29, 2013 at our Company's site at Krishnapatnam. The said amount was deposited by way of DD number 648140 dated August 26, 2013 by our Company.

19. The Joint Commissioner of Labour, Guntur on July 17, 2013 passed an order in RC No. D/1659/2013 directing our Company to deposit ₹ 0.78 million as compensation to the dependants of a deceased workman, Nirvail Singh who died at work on May 30, 2013 at our Company's site at Muthukur, Krishnapatnam. The said amount was deposited by the Company on October 23, 2013 by way of DD number 648164 dated August 27, 2013.

20. The Joint Commissioner of Labour, Guntur on June 17, 2013 passed an order in RC No. D/1205/2013 directing our Company to deposit ₹ 0.82 million as compensation to the dependants of a deceased workman, Kushal Kohil who died at work on May 20, 2013 at our Company's site at Krishnapatnam, Nellore. The said amount was deposited by the Company on August 16, 2013.

21. Our Company deposited an amount of ₹ 0.59 million towards compensation for fatal accident of a workman, Ajay Kumar Singh at its site at Barh. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Deputy Labour Commissioner cum Workmen's Compensation Commissioner, Patna on May 24, 2013.

22. Our Company deposited an amount of ₹ 0.62 million towards compensation for fatal accident of a workman, Manoj Vishwakarma at its site at Barh. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Deputy Labour Commissioner cum Workmen's Compensation Commissioner, Patna on October 17, 2013.

23. Our Company deposited an amount of ₹ 0.70 million towards compensation for fatal accident of a workman, Pradip Das at its site at Palatana on February 7, 2013. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Udaipur.

24. Our Company deposited an amount of ₹ 0.65 million towards compensation for fatal accident of a workman, Sujeet Guria, at its site at Paradeep. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Deputy Labour Commissioner, Cuttack on August 7, 2013.

25. A workman, Mohan Chauhan suffered from an accident at the site of our Company at Bokaro and subsequently expired due to injuries on June 29, 2013. Our Company has subsequently paid the amount of compensation under Section 6(1) of the Workmen's Compensation Act, 1923, amounting to ₹ 0.64 million which has been received by the deceased person's family and has been distributed among the dependants by an Order passed in Misc. E.C.Case No. 8/2013, by the Court of the Presiding Officer, Labour Court cum Employee's Compensation Commissioner, Bokaro on January 9, 2014.

26. Our Company deposited an amount of ₹ 0.82 million towards compensation for the death of a workman, Rama Krishna Rao, at the Company's site at Muzaffarpur. The amount was deposited with the Deputy Commissioner cum Workmen's Compensation Commissioner, Muzaffarpur vide DD number 202313 dated December 2, 2013 and was deposited on December 5, 2013.

27. A workman, Sugriv Bharati suffered from unnatural death at the site of our Company at Raghunathpur on October 30, 2013. The Court of Commissioner, Workmen's Compensation, Durgapur-16, in this case number DNC 5/2014, has awarded an amount of ₹ 0.84 million, towards compensation to be provided to the family of the deceased under the Workmen's Compensation Act, 1923. Our Company has complied with the order and paid the compensation vide DD No. 028851 on December 26, 2013 under Section 8(1) of the Workmen's Compensation Act, 1923.

28. The Commissioner for Workmen's Compensation and Joint Commissioner of Labour, Vishakhapatnam on July 11, 2013 passed an order in RC No. B/2739/2013 directing our Company to deposit an amount of ₹ 0.86 million towards compensation to one of their workmen, Rakesh Kumar Sharma, who suffered a fatal accident at their site at Palavalasa Village, Pedangantyada Mandal, Vishakhapatnam. The said amount was deposited by way of DD number 519095 dated July 30, 2013 by our Company.

29. Our Company deposited an amount of ₹ 0.47 million towards compensation for the fatal accident of a workman, Anil Kumar Singh at the Company's site at Vindhyanchal. The amount was deposited with the Workmen's Compensation Commissioner, Sidhi on September 20, 2010.

30. Our Company deposited an amount of ₹ 0.64 million towards compensation for the fatal accident of a workman, Santosh Kumar Mehar at the Company's site at Anuppur. The amount was deposited with the Workmen's Compensation Commissioner, Shahdol on June 25, 2014. A show cause notice, dated July 10, 2014 has been issued to S. Kishore Babu and the project manager by the Inspector of Buildings and Constructions, Singrauli (Madhya Pradesh) (the "**Authority**") under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**"). An inspection was conducted by the Authority on June 14, 2014 after a fatal accident of a workman, Santosh Kumar Mehar occurred on June 12, 2014 at the Company's site at Anuppur in which certain provisions of the Act were found to have been violated at the site. To this, a reply, dated August 5, 2014 was sent to the Authority by the project in-charge, G. Naveen Babu in which said violations were said to have been duly rectified by the Company and the Company also deposited an amount of ₹ 0.64 million towards compensation for the fatal accident with the Workmen's Compensation Commissioner, Shahdol on June 25, 2014. A notice, dated September 12, 2014 has been issued by the office of the labour commissioner, Indore giving an opportunity to the Company to show cause as to why sanction may not be granted for prosecution against the Company for the said violations under the Act. The Company has duly replied to the notice on October 9, 2014 giving the reasons for the accident and has asked that no proceedings be initiated against them. A criminal case (1379/14) has been initiated in the Court of Chief Judicial Magistrate, Anuppur ("**CJM**") against S. Kishore Babu, as the chairman and managing director of our Company and others ("**Accused**") for offences committed under the Act. Through an order dated December 13, 2014 the CJM has imposed a fine of ₹ 2,000 each on the Accused. The amount has been duly paid through challans bearing serial numbers 12, 13, 16 and 17 dated December 13, 2014.

31. The Commissioner for Employee's Compensation and Deputy Commissioner of Labour, Adilabad directed the Company on July 22, 2014 to pay ₹ 0.76 million as compensation towards the dependants of their workman, Krishna Mandal who suffered a fatal accident at their site at Jaipur Mandal. The Company has paid the compensation on August 21, 2014.

32. The Commissioner for Employee's Compensation cum Deputy Labour Commissioner, Cuttack on August 8, 2012 directed the Company to pay a sum of ₹ 0.16 million as compensation paid to a worker, Sushant Halder who suffered a non-fatal accident on duty at its site at Paradeep. The Company has paid the compensation on August 24, 2012.

33. Our Company deposited an amount of ₹ 0.41 million towards compensation for non-fatal accident of a workman, Padman Choudhary, at its site at Mouda. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Nagpur on February 3, 2012.

34. The Commissioner for Workmen's Compensation and Joint Commissioner of Labour, Vishakhapatnam passed an order on July 11, 2012 directing our Company to pay ₹ 0.08 million towards compensation to their workman, K Chinna Rao, who suffered from a non-fatal accident while on duty. The amount was deposited on August 14, 2012.

35. Our Company deposited an amount of ₹ 0.73 million towards compensation for fatal accident of a workman, Govind Ram, at its site at Mouda. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Nagpur on February 16, 2013.

36. The Commissioner for Workmen's Compensation and Joint Commissioner of Labour, Vishakhapatnam on November 26, 2011 passed an order in RC No. B/4607/2011 directing our Company to deposit an amount of ₹ 0.66 million towards compensation to one of their workmen, Balavardhan Raju who suffered a fatal accident at its site at Vishakhapatnam. The said amount was deposited by our Company on December 5, 2011 under receipt number 114 of 2011.

37. The Commissioner for Workmen's Compensation and Joint Commissioner of Labour, Vishakhapatnam on June 15, 2012 passed an order in RC No. B/2129/2012 in which it directed our Company to deposit an amount of ₹ 0.80 million towards compensation to one of its' workmen, Murari Sunani who suffered a fatal accident at their site at Palavalasa Village, Pedangantyada Mandal, Vishakhapatnam. The said amount was deposited by way of DD number 831295 dated June 28, 2012 by our Company.

38. The Commissioner for Workmen's Compensation and Joint Commissioner of Labour, Vishakhapatnam on June 27, 2012 passed an order in RC No. B/2388/2012 directing our Company to deposit an amount of ₹ 0.75 million towards compensation to one of its workmen, Sadi Pitamber Reddy who suffered a fatal accident at their site at Palavalasa Village, Pedangantyada Mandal, Vishakhapatnam. The said amount was deposited by our Company on July 10, 2012.

39. A workman, Subhadip Giri, met with an accident on June 7, 2013 at the Company's site at Paradeep. He was admitted to a hospital for treatment but succumbed to his injuries on June 15, 2013. An order was issued by the Commissioner for Employee's Compensation cum Deputy Labour Commissioner, Cuttack, Orissa, in the E.C.Case No. 169-D/2013, dated July 17, 2013, directing our Company to deposit ₹ 0.85 million towards workmen's compensation. The abovementioned amount was deposited by our Company through cheque number 034287 on August 7, 2013.

40. Our Company has deposited an amount of ₹ 0.66 million through a demand draft number 107324 dated August 11, 2014 to the Workmen's Compensation Commissioner, Sidhi. The amount paid is with respect to a fatal accident suffered by a workman of the Company, Raju Kumar Yadav, who suffered an accident at our Company's site at Sasan, on July 22, 2014. In relation to the same an inspection was conducted on July 26, 2014 and July 28, 2014 at our Company's site by the Inspector, Industiral Health and Safety, Singrauli, wherein certain irregularities under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 were found. Further, in pursuance of the inspection report, the Labour Commissioner and Chief Inspector, Indore issued a show cause notice to S. Kishore Babu, as the Chairman and Managing Director of our Company, the chief sub project manager, package

owner sub incharge and the section engineer of our Company's site. A trial against the chief sub project manager, package owner sub incharge and the section manager ("**Accused**") has been conducted in the Court of the Chief Judicial Magistrate, Singrauli ("**CJM**") wherein the CJM has, through an order dated December 13, 2014 imposed a fine amounting to ₹ 6,000 on the Accused. The said fine has been duly paid by the Accused through challans dated December 13, 2014.

41. Our Company has deposited an amount of ₹ 0.54 million through a demand draft number 176272 dated May 22, 2013 to the Workmen's Compensation Commissioner, Patna. The amount has been paid as a compensation for a fatal accident and the subsequent death of a workman of our Company, Ashish Kumar Pradhan on February 4, 2013 at the Company's site at Barh.

42. Our Company has deposited an amount of ₹ 0.25 million through a demand draft number 614942 dated February 16, 2013 to the Workmen's Compensation Commissioner, Sidhi. The amount has been paid as a compensation for a non fatal accident suffered by a workman of our Company, Deepak Kumar Singh at the Company's site at Sasan.

43. An order (Rc. No. D/2219/2014) dated September 6, 2014 has been issued by the Joint Commissioner of Labour, Guntur for the payment of compensation by the Company under Employees Compensation Act, 1923 (the "**Act**") to the dependants of its workman, Vinod Choudhary who suffered from a fatal accident on August 31, 2014 and subsequently died on the same day. An amount of ₹ 0.75 million has been directed to be deposited by our Company towards compensation.

44. A notice GR PI 523-IL50M-4-88 has been issued by the office of the Labour Court, Shahdol, Madhya Pradesh, on March 12, 2014 in the WC Case No. B-21 of 2014 requesting our Company to appear before the Court with respect to a complaint filed by Praveen Pal, a worker employed at the Company's site at Anuppur, Madhya Pradesh, seeking compensation under the Workmen Compensation Act, 1923. A sum of ₹ 0.29 million towards compensation paid under Section 8(1) of the Workmen's Compensation Act, 1923 has been deposited by our Company on January 15, 2014.

45. The Motor Accident Claim Tribunal, Korba, Chhattisgarh has issued an order, dated September 11, 2012 in the case number 168/2011, instituted on July 21, 2008 by Mujib Khan against the employees of the Company ("**Employees**") and the National Insurance Company ("**NIC**") for being injured by the Employees' vehicle. In the order the applicant has been entitled to receive ₹ 0.03 million with 6.00% from NIC and the Employees have been directed to bear the costs of the claim. Mujib Khan also filed an application before the assistant labour commissioner, Korba against the Company and NIC for payment of ₹ 0.22 million along with interests pursuant to an order dated July 16, 2008 in the case bearing number 8/WC/KRB/08. The Company has replied, claiming that the amount is liable to be paid by NIC and not the Company. The matter is currently pending.

46. A fatal accident occurred at the Company's site at Singrauli on September 4, 2014 due to which a workman, Chhote Lal Saket expired. The Company was directed to deposit a sum of ₹ 0.54 million under the Workmens' Compensation Act, 1923 by the deputy director of industrial health and safety, Singrauli (Madhya Pradesh) vide its letter dated September 19, 2014. The Company duly submitted the compensation amount of ₹ 0.54 million vide demand draft number 107360 dated September 27, 2014 to the workmen compensation commissioner, labour court, Sidhi (Madhya Pradesh).

47. On March 14, 2014 Anil Singh, a mechanical rigger working at the Company's site at Mundra, was fatally injured in an accident. The Company has deposited a sum of ₹ 0.73 million towards compensation in the Labour Court, Gandhidham, through a cheque dated May 31, 2014.

48. A workman, Samiran Pal has filed a compensation claim, dated May 23, 2014 before the Commissioner for Workmen's Compensation, Burdwan against our Company for an amount of ₹ 0.59 million as compensation for injuries suffered by him in an accident at our Company's site at Durgapur Steel Thermal Power Station. A notice to that effect has been issued to our Company by the Commissioner for Workmen's Compensation, Durgapur.

49. A workman, Sukhbir Singh working at our Company's site at Krishnapatnam met with a fatal accident on November 28, 2014. The Joint Commissioner of Labour, Guntur ("**Labour Commissioner**") through a letter Rc. No. D/2963/2014 dated December 18, 2014 directed our Company to pay a compensation of ₹ 0.86 million. Our Company has duly paid the compensation through a demand draft bearing no,

585624 dated January 17, 2015 and the same has been communicated with the Labour Commissioner through a letter dated January 17, 2015.

50. Kartik Pal, an employee of our Company suffered a fatal accident at the site at Jaipur. Through its letter (D/1924/2014) dated January 17, 2015 the Joint Commissioner of Labour has directed our Company to pay an amount of ₹ 0.71 million towards compensation and ₹ 5,000 towards funeral expenses. Our Company has duly paid the said amounts through demand draft nos.554863 and 554861 dated January 23, 2015.

51. Ashok Kumar Yadav, a rigger at our Company's site at Singareni suffered a fatal accident on November 18, 2011 in the course of employment. Through its letter (D/1761/2014) dated December 23, 2014 the Joint Commissioner of Labour, Warangal has directed our Company to pay a compensation of ₹ 0.89 million. Our Company has deposited the said amount through a demand draft no. 554855 dated January 8, 2015. Our Company has also paid an amount of ₹ 5,000 through a demand draft dated January 23, 2015 towards funeral expenses.

52. Proceedings under the Industrial Disputes Act, 1947, in relation to alleged improper retrenchment of (i) Chotelal Sahani, (ii) Kamlesh Kumar Shah, (iii) Mahender Choudhary, (iv) Rajesh Kumar Kevat, (v) Ramchender Shah and (vi) Kailash Prasad ("**Applicants**") are pending before the Assistant Labour Commissioner, Singrauli ("**ALC**"). The Applicants had alleged that our Company and others ("**Respondents**") had expelled the Applicants from their employment without serving a prior notice. In relation to disputes involving Chotelal Sahani, Mahender Choudhary and Kailash Prasad, the ALC has called the Respondents and the Applicants for meetings under the provisions of the Industrial Disputes Act, 1947 to settle the matter. However, in the dispute involving Kamlesh Kumar Shah and Rajesh Kumar Kevat, mediation failed to reach a settlement. The matter is currently pending.

53. The Labour Enforecment Officer, Rourkela ("**LEO**") has issued two show cause notices (Nos. 34(64) & (65)/2014-RKL/L) dated October 28, 2014 ("**SCN**") wherein it has been stated that during an inspection of our Company's site at Paradip on August 26, 2014, irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 have been observed. Our Company has thus, been asked to rectify these irregularities and reply to the LEO. In furtherance, the LEO has submitted a complaint dated November 20, 2014 before the Judicial Magistrate, First Class, Kujang, Jagatsinghpur ("**JMFC**") under the Contract Labour (Regulation and Abolition) Act, 1970. The JMFC has further issued an order, dated December 6, 2014 through which our Company has been sentenced to pay a fine of ₹ 600 which has been duly paid on the same day.

54. A show cause notice dated February 26, 2015 ("**SCN**") has been issud to our Company by the Assistant Director of Factories and Inspector under BOCW, Raichur Division, Raichur ("**Inspector**") in relation to the fatal accident of a workman, Mahesh, who suffered a fatal accident at our Company's site at Raichur on January 27, 2015. In the SCN, our Company has been directed to show cause as to why legal action under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**Act**") should not be initiated against them for violations of the provisions of the Act. Our Company has sent a reply to the SCN dated March 16, 2015 stating that no violations under the Act have been made by them along with supporting documents. Additionally, the Joint Labour of Commisisoner, Vishakhapatnam has issued an order dated June 29, 2015, whereby our Company has been directed to deposit a compensation of ₹ 0.79 million. Our Company has deposited the said amount through a demand draft no. 002475 dated July 3, 2015.

55. Mahendra Singh, has filed an application before the Labour Court, Sidhi, Madhya Pradesh ("**Labour Court**") on January 29, 2015 against our Company and others ("**Respondents**") alleging that he was wrongfully terminated by the Respondents from his service as a fitter. Mahendra Singh has prayed that he be restored to his position as a fitter. The case has been admitted as case no. 1/2015 and is currently pending.

56. Ram Vijay Goud, a welder at our Company's site at Singareni suffered a non-fatal accident on March 11, 2015 in the course of employment. Through its letter (D/813/2015) dated May 18, 2015, the Commissioner of Employees' Compensation, Joint Commissioner of Labour, Warangal, has directed our Company to pay a compensation of ₹ 0.73 million. Our Company has deposited the said amount through a demand draft no. 882569 dated May 18, 2015.

57. Rohini Singh, Khalasi, met with a fatal accident at our Company's site at Raichur. Our Company had issued an intimation letter on August 5, 2014 to the Labour Officer, Raichur. The Joint Commissioner of Labour, Vishakhapatnam, has through its order dated June 29, 2015, directed our Company to deposit a compensation of ₹ 0.49 million. Our Company has deposited the said amount on July 14, 2015 through a demand draft no. 002477 dated July 3, 2015.

D. Notices from statutory and regulatory authorities

1. A show cause notice ESTT. No. 92/2013-C1 dated January 13, 2014 has been issued by the office of Deputy Chief Labour Commissioner (Central), Bangalore ("**DCLC**"), Ministry of Labour and Employment to our Company, S Kishore Babu and the site in-charge to show cause for non-compliance of request for rectification of irregularities brought to the Company's notice by the Assistant Labour Commissioner (Central), Hubli in his inspection report ESTT. NO. 92/2013-A/H dated December 21, 2013 relating to irregularities under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 at its site at Kudige (Telagi). The Company has rectified the irregularities and visited the office of the Assistant Labour Commissioner with the rectified records on May 20, 2014. A letter has also been sent to the Assistant Labour Commissioner with respect to closure of the matter, dated August 18, 2014 and the same has been received by them.

2. A notice No.-26/18,19/13-ALC.II dated October 18, 2013 has been issued by the Assistant Labour Commissioner (Central) Patna-II ("**Authority**"), Ministry of Labour and Employment to our Company and S Kishore Babu, to rectify the irregularities that have been observed by the Authority under the Minimum Wages Act, 1948 and the Minimum Wages (Central) Rules, 1950, during an inspection undertaken by the Authority on October 10, 2013 at the project site at Barh. The Company has sent a reply, dated November 5, 2013 to the Assistant Labour Commissioner submitting that the Company has rectified the irregularities.

3. A notice Lr.No.C/4155/2013, dated January 30, 2014 has been issued to our Company and others by the Joint Commissioner of Labour, Vishakhapatnam, Government of Andhra Pradesh, Labour Department, requesting a joint meeting to discuss alleged grievances under the Industrial Disputes Act, 1947. A joint meeting was convened by the Joint Labour Commissioner, Vishakhapatnam and the grievances were settled and a letter to this effect was issued by the Joint Labour Commissioner on August 16, 2014.

4. A letter Lr.No.C/1119/2013, dated April 24, 2013 has been issued to our Company and another by the Joint Commissioner of Labour, Vishakhapatnam, Government of Andhra Pradesh, Labour Department, requesting a joint meeting to discuss alleged grievances regarding payment of minimum wages. A joint meeting was convened by the Joint Labour Commissioner, Vishakhapatnam and the grievances were settled and a letter to this effect was issued by the Joint Labour Commissioner on August 16, 2014.

5. A letter No. 26(28)/2013-G/A, dated October 18, 2013 has been issued by the Assistant Labour Commissioner (Central), Guwahati, Ministry of Labour and Employment against our Company, S Kishore Babu and our erstwhile director G Srinivasulu, to show cause for non-compliance under the Minimum Wages Act, 1948 at the site at Monarchak. Company has filed a reply, dated October 28, 2013 with respect to the rectification of the irregularities and the same has been received by the Assistant Labour Commissioner (Central), Guwahati.

6. A notice M.W.CLAIM (62)12, dated October 8, 2012, has been issued to our Company, S Kishore Babu and the site in-charge, by the office of the Regional Labour Commissioner(Central), Patna, requesting clarifications regarding a claim under the Minimum Wages Act, 1948 at the site at Muzaffarpur. Our Company appeared before the Regional Labour Commissioner on November 2, 2012 and submitted the wage records. An application has been made by the Company to the Regional Labour Commissioner, dated November 5, 2012 stating that the wage records were in order.

7. A notice No. M.W. Claim (5)/12/BER has been issued by the Regional Labour Commissioner (Central), Dhanbad ("**Authority**") to our Company represented by S Kishore Babu and the site in-charge requesting their appearance on October 16, 2012. The claim is pertaining to certain irregularities under the Minimum Wages Act, 1948 at its site in Bokaro. The Authority passed an order on April 25, 2013 in the matter and fixed the compensation amount as ₹ 0.23 million to be paid by the Company. The Company has subsequently deposited the claimed amount on May 24, 2013.

8. A notice No. M.W. Claim (134)/11/BER has been issued by the Regional Labour Commissioner (Central), Dhanbad to our Company requesting its appearance on August 16, 2012. The claim is pertaining to certain irregularities under the Minimum Wages Act, 1948 at its site in Bokaro. The Company has attended the hearing fixed by the Regional Labour Commissioner, dated December 23, 2011 and produced the compliances made by the Company. The Company has also submitted the claimed amount on September 20, 2012 with the Regional Labour Commissioner.

9. A notice No.SUR/26(164)2013-MW, dated October 10, 2013 has been issued to our Company and S Kishore Babu by the Labour Enforcement Officer (Central), Solapur, Ministry of Labour and Employment, with respect to certain irregularities in payment of wages under the Minimum Wages Act, 1948 asking our Company to show cause to the same. Our Company has consequently rectified the irregularities and replied to the Labour Enforcement Officer (Central), Solapur and the same has been received by the officer on January 3, 2014.

10. A notice No. SUR/42(19)/2012-BOCW, October 10, 2013 has been issued by the Labour Enforcement Officer (Central), Solapur (the "**Authority**") to our Company, represented by S Kishore Babu in relation to irregularities found under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**") at the Company's site at NTPC project, Solapur. The Company has subsequently rectified the irregularities and the same has been communicated to the Authority through a letter which has been received by the Authority on January 3, 2014.

11. A notice No. 26(99)/2013-TTN, dated August 30, 2013 has been issued to our Company and another by the Labour Enforcement Officer (Central), Tuticorin, with respect to irregularities under the Minimum Wages Act, 1948 (the "**Act**") with respect to the non display of notice showing the minimum rates of wage at our Company's site in Tuticorin. The fine has been paid by our Company and the rectifications have been made.

12. A notice No. 42(16)/2013-TTN, dated August 30, 2013 has been issued to our Company by the Labour Enforcement Officer (Central), Tuticorin ("**Authority**") with respect to irregularities under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**Act**") during his inspection on August 30, 2013. The Authority has requested our Company to rectify these irregularities and to show cause as to why action should not be taken against the Company for the breaches made under the Act. A reply has been made by the Company, informing the Authority of the rectifications made under the Act by the Company.

13. A notice No.46/L(137)/2009/E.3 and No.46/L(206)/2012/E.3 dated May 20, 2013 has been issued to our Company and another by the Assistant Labour Commissioner (Central), Kolkata with respect to irregularities in payment for the renewal of license under the Contract Labour Act, 1970 at our Company's site in Farakka. Our Company has filed the replies to the notices in which it has stated that it has rectified the irregularities and has made the required payments for renewal of the license.

14. At the Company' site at Raghunathpur, an inspection was conducted by the Labour Enforcement Officer (Central), Ukhra ("**Labour Officer**") on November 6, 2013 and irregularities were found under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and subsequently a notice number LU-42 (07)/2013 was issued by the Labour Officer, dated January 13, 2014 requesting the Company and S Kishore Babu to rectify the irregularities mentioned in the inspection report. The Company has sent a reply, dated February 7, 2014 enclosing the details of the rectifications duly made by them against the said violations under the Act and requesting the Labour Officer not to take any further legal action in the matter.

15. The Labour Enforcement Officer (Central), Ukhra ("**Authority**") has issued a notice number LU-34(13)/2012, dated May 29, 2012 to our Company represented by S Kishore Babu stating that irregularities were found at the Company's site under The Contract Labour (Regulation and Abolition) Act, 1970 through his inspection dated April 18, 2012 and directing the Company to rectify these breaches and to show cause as to why legal action should not be taken by the Authority. The Company has replied to the Authority on July 12, 2012 giving details of the rectifications made by the Company in relation to the above notice.

16. A letter No. CH-42(12)/2014-BOCW dated May 9, 2014 has been issued by the Labour Enforcement Officer (Central), Chandrapur, to our Company and S Kishore Babu, with respect to certain irregularities under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**") at the Company's site at Mouda. The Company has rectified the discrepancies and submitted its reply to the Deputy Chief of Labour Commissioner, Nagpur dated June 6, 2014. Further, the Labour Enforcement Officer (Central)-II, Nagpur ("**Complainant**") has filed a prosecution complaint against our Company before the Judicial Magistrate, First Class, Mouda ("**Magistrate**") on December 5, 2014 alleging non implementation of the provisions of the Building and Construction Workers Central Rules, 1998. The Magistrate issued an order dated December 11, 2014 wherein our Company was convicted under the Act and a fine of ₹ 4,000 was imposed on our Company which has been duly paid. Further, a show cause notice bearing no. ES II/31(737) 2014 dated December 22, 2014 ("**SCN**") has been issued to our Company by the Chief Labour Commissioner (Central), New Delhi ("**Authority**") in relation to a complaint filed by the Complainant against our Company on August 8, 2014 in relation to the abovementioned matter. Our Company has replied to the SCN through a letter dated January 10, 2015 to the Authority stating that the rectifications in relation to the Act have already been made and urging the Authority to not take any further action against our Company. The Authority has issued an order dated April 16, 2015 through which an amount of ₹ 2,700 as a penalty has been imposed on our Company for violation of certain provisions of the Act. Our Company has submitted the amount duly through demand draft number 402268 dated May 6, 2015.

17. A letter No. CH-26(12)/2014-MW, dated May 9, 2014 has been issued by the Labour Enforcement Officer (Central), Chandrapur, to our Company and S. Kishore Babu, with respect to certain irregularities under the Minimum Wages Act, 1948 at the Company's site at Mouda. The Company has rectified the discrepancies and submitted its reply to the Deputy Chief of Labour Commissioner, Nagpur dated June 6, 2014.

18. A notice has been forwarded by the Labour Officer, Anuppur to our Company requesting the Company to reinstate the complainant, Rajender Sarin who was a worker at the Company's site in Anuppur. The Company has filed a reply on July 27, 2013 to the Labour Officer. We have not received any further communication from the complainant or the Labour Officer.

19. A notice R.C No.C/977/14, dated April 9, 2014 has been issued by the Assistant Commissioner of Labour and Inspector, Nellore ("**Authority**") with respect to certain irregularities under the Minimum Wages Act, 1948, notice Rc. No. CL Act/c/977/2014 alleging irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 and a notice Rc. No.I.S.M.W.Act/C/977/2014 alleging irregularities under the Inter State Migrant Workmen (Regulations of Employment and Conditions of Service) Act, 1979, at the Company's site at Krishnapatnam, Nellore. Another notice has been issued against our Company on April 21, 2014 by the Joint Commissioner of Labour, Guntur under the M.W. Case No. 1/2014 File No. B/885/2014 with respect to certain irregularities under the Minimum Wages Act, 1948 at the Company's site at Krishnapatnam in the Guntur zone. The Company has made the necessary payments for difference of minimum wages under the Minimum Wages Act, 1948 and has submitted the registers and documents in compliance of the Contract Labour (Regulation and Abolition) Act, 1970 vide letter dated October 18, 2014. The Company has also replied to the Authority on October 18, 2014 submitting registers under the Inter State Migrant Workmen (Regulations of Employment and Conditions of Service) Act, 1979.

20. A notice Rc. No. C/1884-20/2012, dated January 11, 2013 has been issued to our Company by the Joint Commissioner of Labour, Guntur and Cess Assessment Officer under Building and Other Construction Workers Welfare Cess Act, 1996, directing the Company to rectify the irregularities under the Building and Other Construction Workers Welfare Cess Act, 1996 and to pay the required cess under the Building and Other Construction Workers Cess Act, 1996. The client BGR Energy Limited has replied to the notice that the welfare cess has been paid by them and the same cannot be applicable to the Company, through the letter KrTPP/Admin/JCL/002, dated January 2, 2013, and the same has been received by the Joint Commissioner of Labour, Guntur on January 4, 2013. No further communication has come from the office of the Joint Commissioner or any other concerned authority regarding the matter.

21. Notices No. 1/45/2014/ALC-1 to 1/54/2014/ALC-1, all dated June 2, 2014 have been issued to our Company and S Kishore Babu by the Assistant Labour Commissioner (Central), Patna with respect to alleged unfair practices adopted by our Company at its site at Barh, under the Industrial Disputes Act, 1947. The Company has filed a reply to all these notices on July 8, 2014 stating that it has rectified all

the discrepancies and complied with the settlements, attaching the receipts of the payments. The reply has been received by the office of the Regional Labour Commissioner (Central), Patna. No further correspondence has been received in this regard.

22. An inspection report No. 42(23)/2013-G/A, dated October 10, 2013 has been issued to our Company, represented by S Kishore Babu and to our erstwhile director, Srinivasulu Gudipati, by the Assistant Labour Commissioner (Central), Guwahati with respect to certain irregularities at the Company's site at Monarchak under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Company has filed a reply dated October 28, 2013 rectifying the aforesaid irregularities, to the concerned Assistant Labour Commissioner. The Deputy Chief Labour Commissioner (Central), Guwahati has replied through a letter dated April 1, 2014 through which he has decided to take a lenient view against the Company but has warned against the repetition of such offences in the future.

23. A show cause notice No. ES.II/31(484)2013 dated November 21, 2013 has been issued to our Promoter, S. Kishore Babu, and to our erstwhile director, Srinivasulu Gudipati, in their capacities as directors of our Company, by the Chief Labour Commissioner, New Delhi to show cause for non-compliances under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**Act**"). The show cause notice has been issued pursuant to a complaint filed by the Labour Enforcement Officer (Central), Agartala in which he has referred to a notice 42(03)/2013-LEOA which was served on the Company on January 18, 2013 incorporating the offences found at the Company's site at Monarchak under the Act. A reply, dated August 23, 2014 has been sent by the Company to the Labour Enforcement Officer, Agartala stating that the breach made by the Company under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 has been rectified by them. An order dated November 7, 2014 has been issued by the Deputy Chief Labour Commissioner (Central), New Delhi imposing a penalty of ₹ 2,800 each on our Company and our erstwhile director, Srinivasulu Gudipati which has been duly paid through a demand draft dated November 24, 2014.

24. A show cause notice, dated June 27, 2012 has been issued to our Company and our director, S Lakshmi by the Inspector and Joint Commissioner of Labour, Vishakhapatnam stating that four major accidents had occurred at our Company's site within a period of one year and that provisions of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 were not being observed, therefore directing the Company to show cause as to why penal action should not be taken against them. To this, the Company has submitted its reply on July 2012 along with the required documents to the Joint Labour Commissioner, Vishakhapatnam.

25. Our Company was asked by the Regional Provident Fund Commissioner, Jabalpur through its order dated September 7, 2011 to deposit a sum of ₹ 0.01 million towards 27 employees under provident fund. The same has been deposited by our Company on September 29, 2011.

26. Pursuant to inspections by the Labour Department, Singrauli, Madhya Pradesh on September 12, 2011, our Company was notified that it has not maintained wage register, company register, worker register, forwarding register and punishment register, and the same have not been forwarded to the department.

27. On a show-cause notice sent by the Labour Inspector, Singrauli to our Company on the retrenchment benefit and other dues paid to Krishna Shah and Siyaram. Our Company has sent a reply on July 10, 2013 confirming payment of the same.

28. A notice was sent by the Labour Inspector, Singrauli to our Company seeking information on wage dues paid to Dwarika Raghuvanshi and Avadh Kishore, to which our Company sent a reply confirming that the same has been paid.

29. On July 10, 2013, our Company sent a reply to the notice of the Labour Inspector stating that all the benefits were paid to Gauri Shankar Patel, a workman, in accordance with the compromise entered with the workman.

30. Our Company sent a reply on February 14, 2013 to a notice sent by the Labour Inspector, Singrauli seeking information on the Company's employees, Krishna Shah, Sivashis Dubey and Siyaram. The Company stated that they have been arrested by the Police on accusation that they entered the

Company's premises and committed violent acts and that disciplinary action has been taken by the company as well as an FIR has been registered against them.

31. Our Company, on February 15, 2013, sent a reply to a notice sent by the Labour Inspector, Singrauli seeking information about a workman, Shivsagar. The Company has stated in its reply that because of non-performance of work by him, he has been retrenched and the benefits due have been paid to him.

32. Our Company, on July 10, 2013, sent a reply to a notice sent by the Labour Inspector seeking information about payment made to a workman, Bhagwanlal Shah. The Company has stated in its reply that payment of salary and labour wages due to him have been paid.

33. Our Company, sent a reply to a complaint letter, dated June 27, 2013 sent by the Labour Inspector, Singrauli seeking information about workmen, Ramchandra Yadav and Ramakanth Yadav. The Company has stated in its reply that the former has not attended duty since May 23, 2013 and the latter has been negligent in his work. Pursuant to the aforesaid irresponsible behavior by these employees, they were retrenched and the due wages and benefits were paid to them.

34. The Enforcement Officers, Salem of the Employees' Provident Fund Organization have sent a notice, dated November 20, 2011 to our Company asking to submit documents such as work order, bill raised towards work TDS certificates and contract agreement in relation to our client.

35. The Recovery Officer, Raipur under Employees' State Insurance ("**ESI**") Corporation has sent notices, dated July 30, 2013 to our Company represented by S. Kishore Babu to pay an amount of ₹ 0.07 million towards interest and amount of ₹ 0.07 million towards contribution and interest under the Employees' State Insurance Act, 1948. The Company has made both the payments.

36. Notice has been issued on June 17, 2013 to our Company and S. Kishore Babu as the Chief Executive Officer to show cause as to why damages to the extent of ₹ 0.08 million may not be imposed as per Employee State Insurance ("**ESI**") regulations for failure in payment of contribution within the stipulated time and manner. An amount of ₹ 0.08 million has been paid by the Company through cheque number 25796 dated July 29, 2013 towards ESI.

37. The Assistant Labour Commissioner (Central), Asansol ("**Authority**") has issued a notice number 46(110)/2011-E-2, dated September 6, 2012 to S. Kishore Babu as the director of our Company referring to our Company's application dated August 27, 2012 for a renewal of license under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Act**") instructing him to submit documents in relation to the application. On October 10, 2012 another notice has been issued to S. Kishore Babu as the director of our Company, to appear before the Authority to show cause as to why the renewal of license should not be rejected under the Act and that the Company has been issued a license as a sub-contractor under the Act in anticipation that the Company's contractor shall apply for the same. The Office of the Licensing Officer, Asansol renewed the aforementioned license on August 29, 2013 and consequently on September 18, 2014.

38. The Labour Enforcement Officer (Central), Asansol ("**Authority**") has issued a show cause notice number 34(55)/2012/L-I dated November 14, 2012 to our Company represented by S. Kishore Babu in relation to irregularities found under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Act**") during the course of the Authority's inspection of our Company's site at Burnpur. The Company sent a reply, dated December 11, 2012 to the Authority stating that they have complied with the provisions of the Act and have submitted the relevant documents.

39. The Labour Enforcement Officer (Central), Pakur ("**Authority**") has issued a show cause notice number 34(9)/2012-PKR dated September 25, 2012 to our Company represented by S Kishore Babu requesting the Company to rectify the irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Act**") as found by the Authority's inspection of the Company's site at Barh on September 12, 2012. The Company has filed a compliance report dated November 2, 2012 under the Contract Labour (Regulation and Abolition) Act, 1970 addressed to the Labour Enforcement Officer (Central), Pakur. Pursuant to the above, the Authority has issued another notice dated November 21, 2012 requesting the Company to produce notices and registers for verification. The Company has sent a reply to the Authoritystating that the Company has rectified the irregularities brought forth by the Authority.

40. The Labour Enforcement Officer (Pakur) ("**Authority**") has sent a notice number 42(5)/2012-PKR dated September 25, 2012 to our Company stating that during his inspection of the Company's site at Barh on September 12, 2012, he had found irregularities under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**Act**"). The Company has been directed to rectify these irregularities under the Act. The Company sent a reply dated October 8, 2012 stating that they have rectified the irregularities under the Act and have submitted the submitted the relevant documents with the Authority.

41. The Assistant Labour Commissioner (Central), Allahabad ("**Authority**") has issued a notice A-16(Misc)/2012 to S. Kishore Babu, as director of our Company and another asking them to show cause as to why returns have not been submitted in the prescribed time for the renewal of license under the Contract Labour (Regulation and Abolition) Act, 1970. The Company sent a reply dated August 31, 2012 stating that the relevant documents have been submitted to the Authority and that the charges on the Company be dropped.

42. The Assistant Labour Commissioner (Central), Kanpur has issued a notice number K-46(HR-I-98)/2012-E-3 dated September 6, 2012 to our Company through S. Kishore Babu stating that the Company has failed to submit returns in relation to a license issued to the Company under the Contract Labour (Regulation and Abolition) Act, 1970 and that the Company is directed to show cause as to why action should be taken against them in relation to these violations. A reply, dated September 17, 2012 has been made by the Company claiming that the returns have been duly submitted by them as per the notice.

43. The Labour Enforcement Officer (Central), Asansol ("**Authority**") has issued a notice number 34(45)/2012/L-II dated August 28, 2012 to our Company stating that irregularities have been observed at the Company's site at Andal under the Contract Labour (Regulation and Abolition) Act, 1970 and that the Company is to show cause as to why legal action should not be taken against them for these violations. The Company has sent a reply dated September 11, 2012 to the Authority giving details of the rectifications made by them as per the notice.

44. The Labour Enforcement Officer (Central), Bhagalpur has issued notice numbers 34(9-11)/2013-BGP dated April 23, 2013 to our Company represented by S Kishore Babu stating that in his inspection dated April 10, 2013 he had found irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Act**") at the site at Barh. The Company has been asked to show cause as to why action should not be taken against them under the Act. The Company has replied to these notices on April 30, 2013 with the reports of rectifications made by them under the Act.

45. The Assistant Labour Commissioner (Central), Patna ("**Authority**") has sent notices Nos. 34/09-10/2013-ALC II dated October 18, 2013 to the Company represented by S Kishore Babu stating that during his inspection on October 10, 2013 he has found irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 at the Company's site at Barh. The Authority has asked our Company to show cause as to why action should not be taken against the Company for the breaches. The Company has sent a reply dated November 5, 2013 stating that the compliances have been duly made by them.

46. The Labour Enforcement Officer (Central), Tuticorin ("**Authority**") has sent a notice number 34(42)/2013-TTN dated August 30, 2013 to the Company stating that during his inspection he has found irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Act**") at the Company's site at Tuticorin and that the Company is directed to rectify these irregularities. A reply dated September 16, 2013 has been sent by our Company to the Authority with details of the rectifications made under the Act.

47. The Assistant Labour Commissioner, Raipur ("**Authority**") has issued a show cause notice number RP-54(159)2013-ALC dated April 3, 2013 to the Company through S Kishore Babu and S Lakshmi stating that half yearly returns have not been submitted by the Company towards their labour license under the Contract Labour (Regulation and Abolition) Act, 1970 and that the Company should rectify these irregularities. A notice has also been issued by the Authority on August 21, 2013 to the Company through S. Kishore Babu and S. Lakshmi to show cause as to why half yearly returns have not been submitted by the Company under the Contract Labour (Regulation and Abolition) Act, 1970 and to rectify these breaches. The Company has submitted the half yearly return to the Authority on April 18, 2014 requesting the Authority to drop the proceedings against the Company.

48. The Labour Enforcement Officer (Central), Solapur ("**Authority**") has issued a notice number SUR/34(52)/2013/CL dated October 10, 2013 to our Company represented by S Kishore Babu stating that through his inspection, the Authority has found irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 at the Company's site at Solapur. The Company has been asked to rectify the irregularities and to show cause as to why action should not be taken against them. A reply has been submitted to the Authority by the Company with the details of the rectifications made and the same has been received on January 3, 2014.

49. The Deputy Labour Commissioner, Panchkula ("**Authority**") has issued a notice dated February 25, 2014 to our Company, asking for records with respect to compliances under the Contract Labour (Regulation and Abolition) Act, 1970 to be made available for its review. The Company sent a reply dated April 23, 2014 stating that the Company has submitted the relevant documents to the Authority requesting that further proceedings be dropped against the Company.

50. The Assistant Labour Commissioner, Vadodara ("**Authority**") has issued a notice number BRC/ALC/LIC/46(140, 141,142)/2013 dated August 16, 2013 to our Company represented by S Kishore Babu stating that the half yearly returns have not been filed as per the provisions of the Contract Labour (Regulation and Abolition) Act, 1970. The Company has been directed to submit these returns and to show cause as why action should not be taken against them. The Company has sent replies, dated September 5, 2013 for the three notices to the Authority with the required returns enclosed.

51. The District Labour Officer, Jharsuguda has sent a letter number 5459/DLO, Jharsuguda dated December 31, 2012 to our Company for non-compliance in relation to the renewal of license under the Contract Labour (Regulation and Abolition) Act, 1970 issued to the Company. The Company has been asked to show cause as to why the license should not be revoked and security deposit in relation to this license should not be forfeited.

52. The Labour Enforcement Officer (Central), Raniganj ("**Authority**") has issued a notice number 34(51, 52)/2012/LEO/RNJ dated December 31, 2012 to S Kishore Babu as the director of our Company asking to show cause as to why action should not be taken against the Company for irregularities under the Contract Labour (Regulation and Abolition) Act, 1970 as found through an inspection dated December 10, 2012. The Company has submitted a reply dated January 22, 2013 to the Authority which has been received by them on January 24, 2013, saying that the Company has rectified the irregularities as mentioned in the said notice.

53. The Labour Enforcement Officer, Muzaffarpur ("**Authority**") has issued a notice number 34(32)/2012/MFP dated December 21, 2012 to our Company represented by S Kishore Babu with respect to irregularities found through an inspection made by the Authority under the Contract Labour (Regulation and Abolition) Act, 1970 ("**Act**"). The Company has been asked to rectify the irregularities and to show cause as to why action should not be taken against the Company, under the Act. The Company has sent a reply, dated December 28, 2012 to the Authority claiming that the rectifications have been duly made.

54. The Labour Enforcement Officer, Raniganj ("**Authority**") has issued a notice number 26(69)/2012/LEO/RNJ, dated December 31, 2012 to S Kishore Babu as the director of our Company stating irregularities found under the Minimum Wages Act, 1948 ("**Act**") at the site at Durgapur. The Company has been asked to rectify the errors and to submit the compliance report. The Company has sent a reply dated January 22, 2013 to the Authority giving details of the rectifications made under the Act as per the notice.

55. The Labour Enforcement Officer (Central), Mancherial has issued a show cause notice dated November 23, 2012 to S Kishore Babu as managing director of our Company stating that irregularities under the Minimum Wages Act, 1948 ("**Act**") have been found in an inspection. The Company has been directed to rectify these irregularities and to show cause as to why action should not be taken against them. The Company has duly sent a reply dated February 8, 2013 and submitted the reports and explanations with respect to the breaches made under the Act.

56. The Labour Enforcement Officer (Central), Muzaffarpur has issued a notice dated December 21, 2012 to our Company represented by S Kishore Babu asking the Company to rectify irregularities under the

Minimum Wages Act, 1948 and to show cause as to why action should not be taken against the Company. A reply, dated December 28, 2012 has been made by the Company claiming that the rectifications have been duly made.

57. The Labour Enforcement Officer (Central), Asansol ("**Authority**") has issued a notice number 26(47)/2012/L-II dated August 28, 2012 to our Company represented by S Kishore Babu asking the Company to rectify the irregularities under the Minimum Wages Act, 1948 ("**Act**") found through an inspection dated August 7, 2012 at the Company's site at Andal. The Company has also been asked to show cause as to why action should not be taken against them for the breaches. The Company has sent a reply dated September 11, 2012 to the Authority giving details of the rectifications made by them as per the notice.

58. The Labour Enforcement Officer (Central), Asansol has made a claim application number MW 45 of 2012 for a claim of ₹ 0.24 million under the Minimum Wages Act, 1948 before the Regional Labour Commissioner (Central), Asansol ("**Authority**") against our Company through S Kishore Babu. The Company has been summoned before the Authority on July 12, 2012 for the final disposal of the application and then another summons has been made by the Authority to our Company to appear before it on August 22, 2012 to answer material questions in relation to the application. Further, the authority has issued an order dated February 25, 2013 through which our Company has been directed to pay an amount of ₹ 0.04 million towards compensation and claim. The entire amount has been duly paid by our Company through a demand draft bearing no. 022453 dated March 18, 2013.

59. The Labour Enforcement Officer (Central), Bhagalpur ("**Authority**") has issued a notice number 26(39, 40, 41)/2013/BGP dated April 23, 2013 to our Company represented by S Kishore Babu wherein he has stated that during his inspection dated April 10, 2013 certain irregularities have been found under the Minimum Wages Act, 1948 ("**Act**") and that the Company should rectify the irregularities as mentioned in the report attached to the abovementioned notice. The Company has sent a reply dated April 30, 2013 to the Authority detailing the compliances made by them under the Act.

60. The Labour Enforcement Officer (Central), Ukhra ("**Authority**") has issued notice numbers LU-26(21)/2012 and LU-42(08)/2012 on May 29, 2012 to our Company represented by S Kishore Babu wherein it has been stated that certain irregularities have been found under the Minimum Wages Act, 1948 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 through an inspection at the Company's site and that the Company should rectify these irregularities and send a compliance report to Assistant labour Commissioner (Central), Asansol. The Company has also been asked to show cause as to why action should not be taken against them for these irregularities. The Company sent a reply dated June 6, 2012 stating that rectifications have been made and that the relevant documents have been submitted before the Authority requesting that charges be dropped. Pursuant to the inspection report and complaint no. 796/12 submitted by the Labour Enforcement Officer, Ukhra, an order was passed by the Deputy Chief Labour Commissioner (Central), New Delhi, dated July 2, 2013 imposing a penalty of ₹ 1,500 on our Company and S Kishore Babu for irregularities in compliance with the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The said penalty has been paid by the Company on September 7, 2013 through DD number 234208, dated September 7, 2013.

61. The Labour Enforement Officer (Central), Hyderabad ("**LEO**") has issued inspection reports/ notices bearing nos. 35/42/2014, 35/43/2014 and 41/4/2014 dated November 11, 2014 ("**Notices**") wherein certain irregularities under the Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Contract Labour (Regulation and Abolition) Act, 1970 have been observed at our Company's site at Singareni, Adilabad, Telangana. Our Company has replied to the said notices through letters dated December 17, 2014 and December 7, 2014 wherein rectifications that have been made in relation to the Notices, have been included for the perusal of the LEO.

62. A show cause notice (JH/RO/RNC/CC-1/32082/15/150225009) dated February 25, 2015 ("**SCN**") has been issued to our Company by the Assistant Provident Fund Commissioner, Ranchi ("**APFC**"). Through the SCN the APFC has stated that there has been a significant variation in the remittance of contribution for the period from April, 2014 to November, 2014 making our Company liable for penal action. Our Company has therefore been directed to appear before the APFC on March 4, 2015 to show cause as to why penal provisions should not be initiated against them. The Employees' Provident Fund Organization, Bokaro issued a letter dated April 2, 2015 stating that compliance had been noted, that

provident fund and other allied dues had been deposited, and that a compliance report would be submitted to the Regional Office, Ranchi.

63. A summons dated December 16, 2014 has been issued to our Company by the Regional Provident Fund Commissioner, Sub Regional Office, Muzaffarpur ("**Authority**") in relation to the inspection of Kanti Bijlee Utpadan Nigam Limited ("**Establishment**"), through which it has been alleged that there has been a default in remitting provident fund and allied dues in respect of employees engaged in the Establishment through our Company. Our Company has appeared before the Authority and submitted the related documents. The matter is currently pending.

64. A show cause notice dated February 27, 2015 ("**SCN**") has been issued to our Company, S. Kishore Babu, in his capacity as the managing director of our Company, M. Rajendran, in his capacity as the director of our Company and our Company Secretary ("**Noticees**") by the Deputy Registrar of Companies, Hyderabad, Andhra Pradesh. In the SCN it has been alleged that our Company has an unpaid dividend of ₹ 0.12 million which has not been transferred to a special account within 30 days and that our Company has not filed Form INV 1 and Form INV 5 thus not complying with the provisions of Section 205A and 205C of the Companies Act, 1956 read with Rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors), Rules, 2001 and Rule 3 of the Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012. Our Company has sent a reply dated March 31, 2015 to the SCN wherein it has been stated, along with attached details that Form INV 5s for the FY 2012-13 were filed with the concerned office on March 27, 2015 and that the relevant investor wise details of unclaimed amounts have been uploaded on the Investor Education and Protection Fund Portal on the same day, further stating that the delay was due to oversight and was not intentional.

E. Tax proceedings

1. A notice dated October 25, 2013 has been issued by the Assistant Commissioner (VAT), Ward 63, New Delhi, to our Company, regarding furnishing of information under Section 59(2) of the Delhi Value Added Tax Act, 2004. The information to be provided is regarding a refund claim for the period of first quarter of AY 2013-14. The matter is currently pending.

2. Assessment orders for demand of payment of tax under the Madhya Pradesh Value Added Tax Act, 2002 were issued to the Company by the Commercial Taxes Officer, Bhopal on September 28, 2013. The amount liable to be paid by the Company was ₹ 0.26 million towards Value Added Tax and ₹ 0.87 million towards entry tax including penalty for the FY 2010-11. An appeal dated September 28, 2013 has been filed by the Company against these assessment orders before the Appellate Authority and Appealable Deputy Commissioner of CT, Bhopal on January 22, 2014. The matter is currently pending.

3. An assessment order dated November 17, 2014 in relation to entry tax has been issued by the Assistant Commissioner of Commercial Tax, Bhopal wherein additional tax along with interest and a penalty for late submission of returns have been imposed on our Company for the FY 2012-13 in relation to entry tax an amount of ₹ 0.61 million towards the aforesaid order remains payable by our Company.

4. An assessment order dated November 17, 2014 has been issued by the Commercial Taxes Department, Bhopal wherein an additional demand towards entry tax including penalty amounting to ₹ 0.77 million towards FY 2011-12 has been imposed on our Company.

5. A notice for assessment, dated February 18, 2014 under the West Bengal Value Added Tax Act, 2003 (the "**Act**") has been issued by the Joint Commissioner of Sales Tax, Durgapur ("**Authority**") directing our Company to attend a the hearing, dated March 19, 2014 with the required documents in relation to the FY 2011-2012. Through the assessment orders dated on June 23, 2014 and July 31, 2014 the Authority has computed the tax liability to the tune of ₹ 38.36 million inclusive of penalty of ₹ 5,000. Our Company has filed an appeal on November 18, 2014 under Section 84 of the Act against the assessment order dated July 31, 2014, claiming that the assessing authority, inter alia, has ignored subcontractors' expenses and has wrongly calculated the purchase tax lilability. Further, a stay on the assessment order was prayed for. The matter is currently pending.

6. A notice through memo number 466, dated August 13, 2014 under section 66(1) of the West Bengal Value Added Tax Act, 2003 has been issued by the Sales Tax Officer, Unit II, Durgapur Zone

("**Officer**") to our Company. The notice is with reference to furnishing of incorrect, incomplete statements in relation to turnover of purchases, turnover of sales and contractual transfer price in returns for the period 2012-13 and 2013-14. The Company was directed to appear before the Sales Tax Officer on August 25, 2014 to produce before him the records, accounts and registers in relation to the above assessment. The Company has appeared before the Sales Tax Officer and submitted the required documents. Pursuant to the appearance, a notice dated March 25, 2015 has been issued to our Company by the Officer alleging that our Company failed to: a) produce audited accounts with bank statement for the financial years 2012-13 and 2013-14; b) establish the contractual transfer price for the said period; c) ascertain whether materials used in the execution of works contract were supplied by the contractee as claimed by the Company; and d) establish deduction claimed in the return. Our Company appeared before the Officer on April 20, 2015 and submitted the required documents in relation to the FY 2012-13 and 2013-14. A show cause notice dated June 11, 2015 has been issued to our Company by the Officer alleging that the statutory filings made by our Company are not in consonance with the audited financial statements for the FY 2012-13 and 2013-14. The Officer has further alleged that our Company is liable to pay a tax of ₹ 6.86 million and had directed our Company to appear before the Officer on or before June 26, 2015. The matter is currently pending.

7. A notice under Section 31(4) and (5) under the Tripura Value Added Tax Act, 2004 has been issued on February 20, 2014 by the Superintendent of Taxes (Assessing Officer), Government of Tripura, Charge-V, Agartala ("**Authority**"). Subsequently an assessment order was passed on February 26, 2014 informing the Company that amount of ₹ 4.42 million for the period 2010-11, ₹ 48.12 million for the period 2011-12 and ₹ 65.03 million for the period 2012-13 towards VAT interest and penalty are payable by them. The Company filed a petition WP (C) 110 of 2014 before the High Court of Tripura at Agartala ("**High Court**") against the aforesaid order. The High Court stayed the assessment orders filed by the Authority on March 13, 2014. The matter is currently pending.

8. A show cause notice, dated January 13, 2012 has been issued by the Commissioner of Central Excise, Customs and Service Tax, Guntur to our Company stating that the Company is liable to pay i) an amount of ₹ 0.85 million towards service tax, ₹ 0.02 million towards education cess and ₹ 8,549 towards secondary and higher education cess on the management, maintenance or repair service rendered for the period of October 2007 to March 2008; ii) an amount of ₹ 23.55 million towards service tax, education cess and secondary and higher education cess on erection, commissioning and installation service rendered during the period of April 2007 to March 2008; iii) interest on the above mentioned amounts under section 75 of the Finance Act, 1994; and iv) penalties to be paid on the same amounts under section 76, 77 and 78 of the Finance Act, 1994. The Company has replied to the said notice on March 26, 2012, praying for dismissal of the aforesaid charges and requested for a hearing. An order dated March 30, 2012 has been passed by the Commissioner of Central Excise, Customs and Service, Guntur, after hearing the Company, under such order, the Commissioner has confirmed the payment of the amount of ₹ 0.88 million on January 27, 2012 towards interest and appropriated it towards this demand. However, demand of ₹ 20.96 million on erection, commissioning and installation for the period of April 2007 to March 2008 and also imposed a penalty of ₹ 21.84 million under Section 78 of the Finance Act, 1994, with a penalty of ₹ 1,000 under section 77 of the Finance Act, 1994 and a penalty of ₹ 200 per day for the period during which failure continues or at the rate of 2.00% of such tax per month, whichever is higher, were levied by the Commissioner. The Company has paid an amount of ₹ 0.88 million and interest of ₹ 0.49 million on January 27, 2012. The Company has filed an appeal with the Customs, Excise and Service Tax Appellate Tribunal, Bangalore where a stay order has been issued on September 11, 2013 against the recovery of the remaining tax amount and penalty, till the disposal of the appeal. The matter is currently pending.

9. A notice has been issued by the assessing officer, Deputy Commissioner of Income Tax, Hyderabad on September 5, 2014 in relation to queries for return filed by the Company for the AY 2013-14 asking the Company to appear on October 7, 2014. The Company has appeared on the said date and submitted the required documents. The matter is currently pending.

10. A notice dated August 8, 2013 has been issued by the Assistant Commissioner of Income Tax, Hyderabad ("**Authority**") in relation to queries for return filed by the Company for the AY 2012-13 asking the Company to appear on September 2, 2013. The Company appeared before the Authority on the said date. Another notice was issued by the Authority on September 25, 2013 requiring the Company to appear on October 7, 2013 with requisite documents. The Company sought an adjournment and subsequently submitted the documents on October 18, 2014. The Authority has issued a notice dated

September 29, 2014 requesting the Company to appear before it on October 8, 2014 along with certain documents. The Company has submitted the requisite documents and is awaiting further instructions/ instructions from the Authority.

11. Pursuant to a warrant of authorisation dated December 2, 2014 issued under Section 132 of the IT Act by the Director of Income Tax (Inv.), Hyderabad, search operations were conducted by income tax officials at our Registered Office and our office located at 2nd Floor, Lohia Towers, Nirmala Convent Road, Patamata, Vijayawada ("**Vijayawada Office**") on December 3, 2014. In continuation of the aforementioned, the income tax officials also visited our Registered Office and Vijayawada Office on January 23, 2015 and January 13, 2015, respectively. In the search operations, income tax officials seized (i) an amount of ₹ 4.00 million in cash and certain records from the Registered Office and (ii) certain records from the Vijayawada Office. In relation to our Registered Office, the relevant official of the income tax department issued two panchnamas dated December 4, 2014 and January 23, 2015 which were received by S. Kishore Babu, our Promoter on their respective dates of issuance. Similarly, in relation to the Vijayawada Office, the income tax department issued two panchnamas dated December 3, 2014 and January 13, 2015 which were received by our Company on their respective dates of issuance. Also, two orders under Section 132 (3) of the IT Act were issued to our Company directing it to not part with certain records, which were present at the Registered Office and Vijayawada Office. Further, summons under Section 131 of the IT Act were issued to S. Kishore Babu in his capacity as the Chairman and Managing Director of our Company, to appear before the Deputy Director of Income Tax (Inv.), Unit-I (3), Hyderabad which was attended by him. The matter is currently pending.

12. A notice (DCIT/IT-2/195/2014-15) dated November 24, 2014 ("**Notice**") has been issued to our Company by the Deputy Commissioner of Income Tax-2, International Taxation, Hyderabad ("**Authority**") directing our Company to submit information in relation to all foreign remittances made during the FY 2012-13 and FY 2013-14. Our Company submitted a reply dated December 9, 2014 to the Authority wherein the information asked for in the Notice has been duly submitted. The matter is currently pending.

13. The Income Tax Officer, TDS Ward-2(1), Hyderabad ("**Authority**") has issued a notice dated December 5, 2014 ("**Notice**") wherein arrears for the FY 2008-09, FY 2011-12, FY 2013-14 and FY 2014-15 amounting to a gross demand of ₹ 0.12 million, ₹ 0.22 million, ₹ 6,840, ₹ 1.85 million and ₹ 6,400 respectively have been calculated as payable by our Company. Our Company has replied to the Notice through a letter dated December 12, 2014 wherein clarifications for the amounts in arrears have been given. The matter is currently pending.

14. A notice (F. No. ITO/IT-II/15CA/2014-15) dated December 5, 2014 ("**Notice**") has been issued to our Company by the Income Tax Officer (Intl. Taxn)-II, Hyderabad ("**Authority**") stating that our Company has not deducted certain TDS on remittances made during the made during the FY 2013-14 and therefore in relation to the same, directing our Company to appear before the Authority and funish information. Our Company has replied to the Notice and submitted information through several letters. The matter is currently pending.

15. A notice dated March 13, 2015 ("**Notice**") has been issued to our Company by the Commercial Tax Officer (I), Bhuj, Kutch ("**Authority**") in relation to the assessment of tax calculated under the Central Sales Tax Act, 1956 ("**Act**") for the period from April 1, 2012 to March 31, 2013. Through the Notice, our Company was directed to appear before the Authority on May 26, 2015 in order to produce books of accounts and any other evidence in relation to the assessment made by our Company for the aforementioned assessment year and to show cause as to why it should not be assessed to tax and penalty under Section 9 of the Act in accordance with which a representative of our Company appeared before the Authority. We are awaiting further instructions from the Authority.

16. A notice dated March 13, 2015 ("**Notice**") has been issued to our Company by the Commercial Tax Officer (I), Bhuj, Kutch ("**Authority**") in relation to the assessment of tax under the Gujarat Value Added Tax Act, 2003. Through the Notice, the Authority has directed our Company to appear before him on May 13, 2015 to produce books of accounts and other evidence for scrutiny in relation to the assessment of tax for the period from April 1, 2012 to March 31, 2013 in accordance with which a representative of our Company appeared before the Authority. We are awaiting further istructions from the Authority.

17. A notice dated February 18, 2015 ("**Notice**") has been issued to our Company by the Deputy Commissioner of Commercial Taxes, Tenughat Circle, Phusro, Bokaro, Jharkhand ("**Deputy Commissioner**"). In the Notice, it has been alleged that our Company has failed to file the form for self assessment under the relevant provisions of the Jharkhand Value Added Tax Act, 2005 for the period of 2012-13 and has further been directed to appear before the Deputy Commissioner on February 18, 2015 to show cause as to why penalty should not be imposed for failure to furnish returns. Our Company has sent a reply dated February 27, 2015 to the Deputy Commissioner through which it has claimed to have submitted the appropriate documents as required by the Deputy Commissioner to complete the assessment. Thereafter, our Company received a demand notice dated March 2, 2015 from the Deputy Commissioner for the payment of ₹ 19.11 million. Our Company has filed a a revision application and a stay application praying for revision of the demand notice dated March 2, 2015, before the Commercial Taxes Department, Government of Jharkhand and stay of realisation of amount in dispute till disposal of the revision application on the grounds that the assessing officer has not taken into consideration the nature of the business of our Company while issuing the impugned demand notice. The matter is currently pending.

18. An assessment order dated May 25, 2015 has been passed against our Company by the Deputy Commissioner of Commercial Tax, Badh Circle, Badh under the Bihar VAT Tax Ordinance, 2005 levying a penalty of ₹ 4,500 for the reference period 2013-2014

F. Public Interest Litigations

NIL

G. Revenue proceedings

NIL

H. Arbitration proceedings

NIL

I. Consumer proceedings

NIL

J. Complaints filed under section 138 of the Negotiable Instruments Act, 1881

NIL

K. Miscellaneous

1. Matters bearing number (i) MVC No. 45/2013 filed by Kudlesh and others, MVC No. 46/2013 filed by Suresh and another and MVC No. 47/2013 filed by Shivanand and another before the Motor Vehicles Accidents and Claims Tribunal, Bagewadi ("**MACT Bagewadi**"); (ii) MVC No. 1006/2013 filed by Nandappa and others before the Motor Vehicles Accidents and Claims Tribunal, Bijapur ("**MACT Bijapur**"); and (iii) MVC No. 914/2014 filed by Sunita before MACT Bijapur, have been admitted for grant of compensation on account of death of four persons and an injury of one person in a motor vehicle accident caused by an employee of our Company. Our Company has filed (i) a counter in MVC Nos. 45-47/2013 dated October 21, 2013 before MACT Bagewadi; (ii) written statement in MVC No. 1006/2013 dated August 26, 2014 before MACT Bijapur; and (iii) a written statement in MVC No. 914/2013 dated September 22, 2014 before MACT Bijapur claiming that there was no negligence on the part of our Company and that the driver of the motor vehicle possessed a valid drivers' license. We have further stated that it was the rash and negligent driving of the driver of the auto rickshaw involved in the accident, and that the said driver did not possess a valid license. We have further denied the allegations and submitted that the vehicle was duly insured with Oriental Insurance Company Limited ("**OICL**") and that pursuant to the terms of the policy, OICL will have to pay the entire amount of the award/ decree. Awards have been passed by the MACT Bagewadi in (i) MVC Nos. 45-47/2013 on November 28, 2014 imposing an amount of ₹ 0.21 million to be paid by OICL for each of the three claims; and awards by MACT Bijapur have been issued in (ii) MVC No. 1006/2013 on November 27, 2014 imposing

an amount of ₹ 0.7 million to be paid by OICL; and (iii) MVC 914/2014 on December 3, 2014 imposing an amount of ₹ 0.16 million to be paid by OICL. Further, Prerna Warannavar ("**Petitioner**") has also filed a petition against our Company and OICL ("**Respondents**") before MACT Bijapur and the same has been admitted as MVC 493/2014 ("**Petitioner**"). An amount of ₹ 2.24 million along with an interest at 18% per annum has been claimed from the Respondents jointly. MACT Bijapur has issued an order dated January 21, 2015 through which the Petition has been cancelled on the grounds that an award has already been passed in MVC 1006/2013 for compensation to be paid to the Peitioner.

2. Applications with numbers MACP/661/2013, MACP/662/2013 and MACP/663/2013 have been filed on January 13, 2014 before the Motor Accident Claim Tribunal, Bharuch against two employees of our Company, at the Company's project site at Dahej demanding a compensation of ₹ 7 million, ₹ 4 million and ₹ 1.20 million respectively. The Company has filed a counter affidavit on June 2, 2014 stating that the claim against the Company is not maintainable as the insurance company is liable to pay the claimed amount. The matter is currently pending.

3. An order in the motor accident claim case bearing no. 50/2007, dated March 3, 2007 has been passed by the Motor Accident Claim Tribunal, Raipur on September 22, 2007 against the Company. The order has been passed in the favour of the applicant, Murlidhar Bairagi, who allegedly suffered injuries due to negligent driving of an employee of the Company. The court has ordered a sum of ₹ 0.37 million to be paid by the Company as damages, under the Motor Vehicles Act, 1988, to the applicant. Against this order, the Company filed a miscellaneous application number 98/2010 before the High Court of Chhattisgarh on December 16, 2010 and on April 10, 2013 the High Court found the miscellaneous application to be not maintainable and directed the Company to file a writ petition. The Company subsequently filed a writ petition WP (227) /2013 and an application for interim relief dated May 6, 2013 against the order passed by the Motor Accident Claim Tribunal, Raipur on September 22, 2007. The matter is currently pending.

4. A summons to appear before the Regional Provident Fund Commissioner, Ranchi ("**Authority**") were issued to the Company on January 2, 2014 under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (the "**Act**") along with an order for the payment of interest for the belated remittance made during the period of April 1, 1996 to January 2, 2014. Accordingly, a penalty of ₹ 0.06 million was imposed on the Company which was duly paid through a challan dated May 19, 2014.

5. Ratharam Sriwas ("**Applicant**") has filed a suit for compensation before the Motor Vehicles Accident Claim Tribunal, Korba, Chhattisgarh against the driver of the vehicle, Mahesh Kumar, our Company and the Oriental Insurance Company (the "**Insurance Company**"). The order was passed on December 17, 2013 and compensation of ₹ 0.61 million at an interest of 6.00% from August 6, 2008 was asked to be paid by the Insurance Company to the Applicant. The Insurance Company has filed a miscellaneous appeal number 364/2014 before the High Court of Chhattisgarh at Bilaspur on April 2, 2014 against the award dated December 17, 2013 asking for the stay and subsequent modification of the award. The matter is currently pending.

6. We have received various notices from Human Right Redemption Social Welfare Association of India ("**HRRSWAI**"), a non-governmental organisation and certain labour unions in relation to work undertaken by us at some project sites. The contents of these notice include labour issues ranging from non-payment of wages, inadequacy of wages paid, provision of money for medical treatment, retrenchment of workers at work sites, exploitation by contractors and other demands raised by the labourers. HRRSWAI has also written letters to district collector(s) of respective jurisdictions where our sites are located, labour officials as well as the President of India and the Home Minister of India seeking their intervention with respect to the alleged labour rights violations by our Company. Some of these letters have been sent to the Company, while the others have been addressed to the concerned district collectors and labour authorities seeking their intervention and action against our Company. Where certain of these notices have been acted upon by the labour department we have made the requisite payments and have replied to the respective labour departments stating that those payments have been made by our Company or the workman being retrenched, as the case may be.

7. A complaint against our Company was made on March 18, 2014 by a workman of our Company to the Collector, Singrauli demanding payment of alleged due wages and emoluments.

8. A letter dated January 3, 2012 was sent by the SHO, Waidhan, Singrauli in relation to the injury suffered by one of our workmen on December 8, 2012 at our site. The Company has been directed to take necessary steps in this regard.

9. A show-cause notice was served to the Company by the Inspector under Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**Act**") asking it to explain how an incident of injury occurred at the work site and regarding violations of Building and Other Construction Workers Rules, 2002 and the Act. The Company replied to the notice on November 11, 2011 stating that the Company is in compliance with the aforesaid rules and statute.

10. A claim petition number 185/2013, dated November 19, 2013 has been filed before the Motor Accident Claim Tribunal, Jhalawar (Rajasthan) by Rekha Bai and others ("**Petitioners**") against our Company and others ("**Respondents**") in relation to a motor accident on October 11, 2013 which led to the death of Bablu Singh. An order was passed under this claim on April 23, 2014 wherein an interim award of ₹ 0.05 million was levied on the Respondents. On July 31, 2014 the Petitioners have submitted under the petition that a compromise has been made and the Respondents have submitted the compensation amount. They have subsequently asked for the petition to be dropped.

11. Our Company on January 23, 2014 sent a reply to a notice sent by Station House Officer, Sasan regarding the retrenchment of a site worker, named Harpal Singh. The Company stated that since the concerned person was absent without any information or permission for a long time, an action of retrenchment was taken in this regard. It has also been stated by the Company that his retrenchment benefits and other dues have been deposited with the labour department and that he has not collected the same.

12. A petition (397/2014) ("**Petition**") has been filed before the Motor Vehicles Accident Claims Tribunal ("**Tribunal**") by B. Nageswara Rao and another ("**Petitioners**") against our Company, represented by its Director and Oriental Insurance Company Limited ("**OICL**") (collectively, the "**Respondents**"). The Petition is for the grant of compensation on the death of the Petitioners' son Bhupathi Satish ("**Deceased**") who passed away in a motor vehicle accident on December 31, 2012. The Deceased was an employee of our Company and was travelling in a vehicle owned by our Company and insured by OICL when the fatal accident occured. A compensation amouting to ₹ 2.5 million along with an interest of 18% has been prayed by the Petitioners. Our Company has filed a counter dismissing the claims against us and stating that the vehicle was insured by OICL and compensation shall be thus paid by them, under the terms of the insurance policy. OICL has also filed a written statement dated November 18, 2014 asking for the Petition to be dismissed. The matter is currently pending.

II. Litigation by our Company

A. Civil Proceedings

1. A legal notice has been issued by our Company to Elecon Engineering Company Limited ("**Respondent**"), dated, January 11, 2014. Our Company has claimed that a sum of ₹ 15.24 million had been retained by the Respondent with respect to the work awarded to our Company vide work order no: T310/CO1873/7295 Dt.29/07/2008, which was completed by us on September 15, 2011. Our Company has alleged that the retention money has not been refunded and the same should be credited to it along with an interest of 24% per annum. The Respondent replied on February 4, 2014, rejecting the claim and filed a counter-claim of ₹ 24.57 million for losses suffered. Our Company has rejected the counter-claim and filed a rejoinder dated, February 14, 2014, requesting the retention money be paid. The Respondents replied on March 5, 2014 rejecting our claim. Our Company has subsequently filed a winding up petition no. 237 of 2014 on August 25, 2014 under Section 433 and 434 of the Companies Act, 1956 in the High Court of Gujarat for winding up of the Respondent. The petition was heard on October 17, 2014 and an oral order was subsequently issued by the High Court of Gujarat, asking the Respondent to reply as to why they should not be wound up. The matter is currently pending.

2. Our Company has filed a petition (OMP(I) 250/2015) under Section 9 of the Arbitration and Conciliation Act, 1996 (the "**Petition**") before the High Court of Delhi (the "**Court**") seeking interim measures against Bharat Heavy Electricals Limited ("**Respondent**") for restraining the Respondent from deducting 5% of a general sales tax ("**GST**") as prescribed under the laws of the Republic of Yemen, from the pending/ future running bills of our Company in relation to a 400 MW power project in Marib, Yemen.

The Respondent had been awarded a contract for 400 MW Marib Phase-II Gas Turbine Station Project at Marib, Yemen (the "**Project**") by the Public Electricity Corporation of Yemen ("**PEC**"). Thereafter, the Respondent awarded our Company the contract for executing all the civil, structural and architectural work of the Project and in relation to the same our Company entered into a contract dated October 17, 2012 (the "**Contract**") with the Respondent. However, the Respondents deducted a GST of 5% from the payment of running bills made by them to our Company in relation to the Project against which our Company has claimed that they were not liable to pay the GST neither under the Contract, nor under the laws of the Republic of Yemen. Also, upon enquiring the same with the tax authorities of Yemen, our Company was informed that the contract awarded to the Respondent by the PEC in relation to the Project was net of taxes and that the applicable taxes in respect of the Project had already been paid by PEC. Further, via email dated May 11, 2015, the Respondent informed us that they would be deducting GST from our pending and future bills. Pursuant to the same, our Company filed an application under section 9 of the Arbitration and Conciliation Act, 1996 requesting the Court to *inter alia* the Court pass an ad interim injunction against the Respondent restraining them from deducting a GST of 5% from the pending and future bills of our Company in relation to the Project. Also our Company has filed an application dated May 13, 2015 seeking exemption from filing the original/ certified/ legible copies of documents attached with the Petition. Through an order dated May 22, 2015 the application seeking exemption has been allowed by the Court. Through its order dated May 29, 2015 the Court has directed the Respondent to not deduct GST from our pending and running bills till the next date. The next hearing has been listed on August 24, 2015. The matter is currently pending.

B. Writ Petitions

1. A writ petition, dated October 7, 2014 has been filed by our Company in the High Court of Bombay, Nagpur Bench against the State of Maharashtra, Assistant Commissioner of Labour (Nagpur), Maharashtra State Power Generation Company Limited and Larsen and Toubro Limited in respect of an order passed on June 13, 2014 by Assistant Commissioner of Labour, Nagpur in which it has declassified the Company's industry from engineering to civil construction. The Company has submitted that it is covered as an engineering industry on the basis of its nature of work which is purely technical as per the letter of intent dated February 22, 2011. The matter is currently pending.

2. A writ petition (W.P. (T) No. 100 of 2015) has been filed by our Company on July 17, 2015 in the High Court of Chattisgarh at Bilaspur against the State of Chattisgarh, the Cess Assessing Authority cum Labour Commissioner, Raipur, Doosan Power Systems India Private Limited and GMR Chattisgarh Energy Limited in repect of letters issued by Doosan Power Systems India Private Limited intimating our Company that 1% of the amount of running bills in relation to the erection works being carried out by our Company at their power plant at Raipur shall be deducted at source towards cess levied under section 3(1) of the Building and Other Construction Workers Welfare Cess Act, 1996. Our Company has prayed that a writ of certiorari be issued quashing the aforementioned letters issued by the respondent, holding that the provisions of Building and Other Construction Workers Welfare Cess Act, 1996 are not applicable to our Company.

C. Arbitration Proceedings

A legal notice for arbitration dated January 25, 2014 has been served by our Company on Cethar Limited ("**Respondent**") wherein our Company has claimed an amount of ₹ 57.10 million with respect to extra works and over-run charges at the site at Korba, Chhattisgarh. The contract was awarded to our Company vide letter no. LOLCVL Utility Proj-BTG-1001, dated September 24, 2009. The Respondent replied on February 25, 2014, dismissing the claims made by our Company and refused appointment of an arbitrator. Our Company has filed a petition (OP Number 411 of 2014) dated April, 2014 under section 11(5) of the Arbitration and Conciliation Act, 1996 against the Respondent before the High Court at Chennai. The Company, in the petition claimed payment of ₹ 6.60 million towards over run compensation, a sum of ₹ 42.42 million and ₹ 0.81 million towards extra works from the Respondent and prayed for the court to appoint a sole arbitrator for the adjudication of the disputes and for the Respondent to pay the costs of the petition.

D. Criminal proceedings

1. Deepak Singh, an employee of the Company at its site at Sasan, has filed a complaint in February, 2012 before the Chief Judicial Magistrate ("**CJM**"), Singrauli, Madhya Pradesh against accused Arjun Pershad

Gupta and 14 others under sections 147, 148, 341, 342, 294, 386, 427, 506 read with section 34 of the Indian Penal Code, 1860. The complainant has alleged that all the 15 accused entered the work place in an unauthorized manner and broke the constructions at the work site, as a result of which, workers stopped the work immediately. It has also been alleged that the accused have demanded a ransom of ₹ 0.05 million. The matter is currently pending before the CJM court.

2. Our company has filed a complaint with the SHO, Singrauli on April 9, 2012 complaining about the unlawful act of one Ram Pratap Sahu. The Company has alleged that the person was seeking employment, however on not being employed he used abusive language and threatened the Company of dire consequences. This matter is currently pending.

III. Details of past penalties imposed on our Company

Other than the details of penalties set out below, our Company has also been imposed with penalties in the past as disclosed in this chapter:

1. The Company had filed a compounding application dated March 20, 2012 and an addendum dated August 9, 2012 for compounding of contraventions of the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") and the regulations issued there under before the Reserve Bank of India ("**RBI**"). The application was filed in relation to conversion price of compulsorily convertible preference shares into equity shares issued to persons resident outside India not being fixed upfront to ensure that such price was not less than the fair value, in terms of paragraphs 5 of Schedule 1 of FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. Our Company was given an opportunity for personal hearing through the RBI's letter number FE.CO.CEFA/1923/15.20.67/2012-13 dated July 23, 2012. Our Company appeared on August 3, 2012, where it was submitted that the Company acted in good faith and submitted the application for compounding. Accordingly on September 6, 2012, the Chief General Manager in Charge of CA 2317/2012 passed a compounding order wherein an amount of ₹ 0.50 million has been levied on the Company. The Company has duly paid the amount, acknowledged by RBI through its letter dated September 20, 2012.

2. The Deputy Commissioner (CT), Hyderabad (Rural) division has issued an order dated May 17, 2012 and has levied a demand of ₹ 0.06 million towards Value Added Tax payable for the period April 1, 2010 to February 29, 2012. Further penalty of ₹ 5,898 has been levied vide order dated May 26, 2012. The Company duly paid the amount, acknowledged by the Office of the Deputy Commissioner (CT), Hyderabad (Rural) division on June 8, 2012.

3. A notice, dated May 27, 2013 has been issued by the Commissioner of Commercial Tax, Barh, Bihar under the Bihar Value Added Tax Act, 2005 imposing a penalty of ₹ 2,100 for the AY 2011-12. The penalty has been duly paid by our Company through the challan bearing identification no. 00001539311612112014.

4. A notice, dated May 27, 2013 has been issued by the Commissioner of Commercial Tax, Barh, Bihar under the Bihar Value Added Tax Act, 2005 imposing a penalty of ₹ 1,375 for the AY 2010-11. The penalty has been duly paid by our Company through the challan bearing identification no. 00001539311012112014.

5. A penalty of ₹ 4,100 has been paid by our Company to the Assistant Commissioner of Commercial Tax, Bhuj, Kutch for the late payment of tax for the FY 2010-2011 in accordance with assessment order dated February 26, 2015 passed by the Assistant Commissioner of Commercial Tax, Bhuj, Kutch.

6. Our Company has paid a penalty of ₹ 0.04 million to the Commissioner of Sales Tax, Maharashtra, for delay in payment of entry tax and non-compliance of Maharashtra Tax on Entry of Motor Vehicles into Local Areas Act, 1987. The penalty has been imposed on our Company through an assessment order dated March 27, 2015 issued by the Sales Tax Officer (Entry Tax), Nagpur.

7. Our Company has paid a penalty of ₹ 0.06 million to the Commercial Taxes Department, Government of Telangana in relation to under declaration of tax of ₹ 0.61 million in the tax period

of 2013-2014 as noted in the assessment order dated May 16, 2015 (erroneously referred to as 2011-13 in the order dated May 20, 2015) which is an offence under Section 53 of the Andhra Pradesh Value Added Tax Act, 2005.

8. A penalty of ₹ 4,500 has been levied on our Company by the Deputy Commissioner of Commercial Tax, Badh Circle, Badh, vide its order dated May 25, 2015 under the Bihar VAT Tax Ordinance, 2005 for the reference period 2013-2014. Our Company is yet to pay this penalty.

IV. Proceedings initiated against our Company for economic offences

NIL

V. Potential litigation against our Company

1. Dijan Singh (the "**Complainant**"), a worker of our Company at the site at Raichur has filed a first information report in the Grameen Police Station, Raichur on August 5, 2014. The report has been filed with respect to a fatal accident suffered by the Complainant's uncle, Rohini Singh who died after suffering from injuries after an accident at the Company's site at Raichur on August 4, 2014. For further information, refer to "*Outstanding Litigation and Defaults- Litigation involving our Company- Outstanding Litigation/ proceedings against our Company- Labour matters*" on Page 404.

2. A legal notice has been issued on September 26, 2013 to our Company by complainant, Dinesh Pandey asking for full and final settlement and a reinstatement. The complainant was a worker at the Company's site at Sarni.

3. A legal notice has been issued on November 9, 2013 to our Company, chairman and managing director and senior executive of our Company by complainant, Bipin Kumar Joshi. The complainant has alleged that he was terminated without any notice or reason and has demanded to be reinstated at the Company's site in Mundra. The Company has paid a sum of ₹ 0.03 million to the complainant on November 15, 2013.

4. The office of out post, Sasan, Baidhan police station, Singrauli, Madhya Pradesh wrote to the Manager of our Company's site at Sasan on December 8, 2013, asking him to send a report on accident and injury caused to a labourer, named Anil Munda. The letter also states that it has been directed by the SP to lodge a case under section 337 and 338 of the Indian Penal Code, 1860 against our Company. Our Company has sent a reply on January 3, 2014 in the matter.

5. A notice has been sent to one of our main contractors by the Assistant Labour Commissioner, Korba on January 10, 2013 in relation to irregularities found under the Contract Labour (Regulation and Abolition) Act, 1970 and Payment of Wages Act, 1936 at their site and the same has been asked to show cause to why action should not be taken against them for the breaches.

6. Babu Lal Rathour, a workmen at our Company's site at Nigrie met with a fatal accident on July 11, 2015 in the course of employment. Our Company has vide its letter dated July 13, 2015 informed the Labour Officer, Singrauli, Madhya Pradesh of the same.

VI. Default and non- payment of statutory dues by the Company

Except as stated below, there are no defaults or non-payment of statutory dues by the Company:

Nature of liability	Name of the statute	Amount outstanding on June 30, 2015 (₹ in million)	Period of liability
Service tax	Finance Act, 1994	169.16*	March 2015 to May 2015
TDS	Income Tax Act, 1961	36.82**	March 2015 to May 2015
VAT	Value Added Tax Act of various States	0.73*	April 2015 to May 2015

**Remittances considered upto July 17, 2015*
***Remittances considered upto July 11, 2015*

VII. Inquiries, inspections or investigations initiated or conducted under Companies Act, 2013 or the Companies Act, 1956

NIL

VIII. Material frauds against our Company

NIL

IX. Outstanding dues to small scale undertaking(s) or other creditors

The details of micro, small and medium enterprises to which our Company owes an amount greater than ₹ 0.1 million and outstanding for a period more than 30 days, as on June 30, 2015, are as follows:

S. No.	Name of the vendor	Outstanding Amount (₹ in million)
1.	Power Test Asia Private Limited	3.69
2.	Sri Venkateswara Technocrats	16.66
3.	Vjaykrant Constructions	12.53
4.	Safety Solutions Inc.	3.27
5.	Kepro Tools & Equipments Private Limited	10.07
6.	Vikrant Ropes Private Limited	1.94
7.	Asahi Ropes Private Limited	0.17
8.	S.R. Welding Systems	0.63
Total		**48.97**

Our Company does not owe an amount exceeding ₹ 0.10 million which has been outstanding for more than 30 days, to any other creditor, except in the ordinary course of business. For more information on amounts owed to such creditors, please see the section titled "*Financial Statements – Restated Standalone Financial Statements- Annexure - XIX: Restated Summary Statement Of Trade Payables*" on Page 271.

X. Material developments since the last balance sheet date

NIL

XI. Outstanding litigation against other persons and companies whose outcome could have an adverse effect on our Company

NIL

LITIGATION INVOLVING OUR SUBSIDIARIES

Except as stated below, there is no outstanding litigation involving our Subsidiaries, including criminal prosecutions or civil proceedings and there are no material defaults, non-payment of statutory dues, over dues to banks/ financial institutions or defaults against banks/ financial institutions by our Subsidiaries (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under the paragraph (a) of Part I of Schedule V of the Companies Act, 2013).

I. Outstanding litigation and material developments/ proceedings against our Subsidiaries

1. Hydro Magus Private Limited

NIL

2. Power Mech Industri Private Limited

NIL

3. MAS Power Mech Arabia

NIL

II. Outstanding litigation and material developments/ proceedings by our Subsidiaries

1. Hydro Magus Private Limited

NIL

2. Power Mech Industri Private Limited

NIL

3. MAS Power Mech Arabia

NIL

III. Past penalties paid by Subsidiaries

No past penalties have been paid by our Subsidiaries.

LITIGATION INVOLVING OUR JOINT VENTURE

I. Outstanding litigation and material developments/ proceedings against our Joint Venutre

NIL

II. Outstanding litigation and material developments/proceedings by our Joint Venture

NIL

III. Past penalties paid by our Joint Venture

NIL

LITIGATION INVOLVING OUR GROUP COMPANIES

Except as stated below, there is no outstanding litigation involving our Group Companies, including criminal prosecutions or civil proceedings and there are no material defaults, non-payment of statutory dues, over dues to banks/ financial institutions or defaults against banks/ financial institutions by our Group Companies (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under the paragraph (a) of Part I of Schedule V of the Companies Act, 2013).

I. Outstanding litigation and material developments/ proceedings against our Group Companies

1. Power Mech Infra Limited ("PMIL")

1. The Commercial Taxes Department, Benz Circle, Vijayawada ("**Assessing Authority**") has issued an order AAO 7337, dated February 11, 2014, directing PMIL to pay an amount of ₹ 0.57 million towards VAT within 30 days of receipt of the order. PMIL has paid an amount of ₹ 0.25 million towards the tax due with the Commercial Tax Officer, Vijayawada on March 10, 2014. An appeal has been filed by PMIL on March 10, 2014 with the Appellant Deputy Commissioner, Vijayawada ("**ADC**") against the abovementioned order for a stay for the amount of ₹ 0.32 million. Through an order dated February 28, 2015, the ADC has remanded the appeal back to the Assessing Authority. The matter is currently pending.

2. The Assistant Commissioner of Income Tax, Circle 16(2), Hyderabad ("**Authority**") has sent a notice under section 142(1) of the Income Tax Act, 1961 dated September 29, 2014, through which the Authority has asked to be produced before him the documents and accounts in relation to the AY 2012-

13 for his review on October 18, 2014. To this, PMIL has replied to the Authority on October 8, 2014, requesting an extension of 10 days. Subsequently, the requested information has been duly furnished before the Authority on October 20, 2014.

3. The Deputy Commissioner of Income Tax I/C, Circle 16(3), Hyderabad ("**Authority**") has issued a notice on September 5, 2014 under section 143(2) of the Income Tax Act, 1961 in connection with a return of income for the AY 2013-14 asking for the relevant documents in support of the return filed, for the review of the Authority. PMIL has sent a reply dated October 22, 2014 to the Authority wherein it has requested the Authority for an extension period of one month for furnishing of the required documents.

4. The Income Tax Officer, Ward-3(1)(TDS), Vijayawada ("**Officer**") has sent a notice dated November 5, 2014 ("**Notice**") to PMIL, wherein it has been alleged that tax amounting to ₹ 0.40 million remains outstanding from PMIL in FY 2009, FY 2010 and FY 2011. PMIL has sent a reply dated November 25, 2014 to the Officer stating that PMIL has made all the payments for the said financial years and have further attached the traces report for the review of the Officer.

5. The Municipal Corporation, Circle-III Office, Patamata, Vijayawada has issued a show cause notice dated October 25, 2014 ("**SCN**") to PMIL wherein PMIL has been asked to submit the details, including the connected copies of the registered title deeds of the property situated at D 40-1-46, M.G. Road of 26, Revenue Ward of Labbipet. In the SCN it has been stated that during the outdoor inspections of the property, the said land has been found to be vacant.

6. The Assistant Director of Mines and Geology, Vigilance Squad, Hyderabad ("**Authority**") has issued a show cause notice (No. 2735/V&E-HR/2014) dated November 17, 2014 ("**SCN**") to PMIL. Through the SCN, the Authority has directed our Company to pay a seigniorage fee of ₹ 0.17 million along with a penalty of ₹ 1.72 million for raising and transporting minor minerals without lawful authority as per Rule 26(2) of the Andhra Pradesh Minor Mineral Concession Rules, 1956. Our Company has replied to the SCN through a letter dated January 3, 2015 to the Authority wherein we have paid the seigniorage fee through a demand draft bearing no. 195717 dated December 31, 2014 and asked the Authority to accept the payment. In furtherance, the Authority has issued a demand notice (No. 2735/V&E-HR/2014) dated January 22, 2015 ("**Demand Notice**") to PMIL directing them to pay an amount of ₹ 1.72 million towards evaded penalty. Our Company has filed a revision application dated March 31, 2015 against the Demand Notice before the Secretary to the Government, Industries and Commerce Department, Secretariat, Hyderabad, Telangana. The matter is currently pending.

2. Lakshmi Agro Farms ("LAF")

NIL

3. Power Mech Foundation

NIL

4. Bombay Avenue Developers Private Limited ("BADPL")

1. A notice dated February 24, 2015 has been issued to BADPL by the Office of the Commissioner of Income Tax, Vijayawada directing BADPL to appear before the Commissioner of Income Tax, Vijayawada for the hearing in relation to transfer of the proceedings in connection with the search and seizure operations carried out on December 3, 2014 at our Company's office.

2. The Municipal Corporation, Circle-III Office, Patamata, Vijayawada has issued a show cause notice dated October 25, 2014 ("**SCN**") to BADPL wherein BADPL has been asked to submit the details, including the connected copies of the registered title deeds of the property situated at D 40-1-46, M.G. Road of 26, Revenue Ward of Labbipet said to have been owned by BADPL. In the SCN it has been stated that during the outdoor inspections of the property, the said land has been found to be vacant.

5. True Rrav Marketing Private Limited

NIL

II. Outstanding litigation/ proceedings by our Group Companies

1. Power Mech Infra Limited

NIL

2. Lakshmi Agro Farms

NIL

3. Power Mech Foundation

NIL

4. Bombay Avenue Developers Private Limited

NIL

5. True Rrav Marketing Private Limited

NIL

III. Past penalties paid by/ in relation to Group Companies

A petition was filed by S. Kishore Babu, S. Lakshmi and S. Rohit (the "**Applicants**") in 2011 for compounding of offences under section 621A of the Companies Act, 1956 in relation to delay of 156 days in submitting the certified copy of the statutory report in e-form no. 22 to be filed with the Registrar of Companies by Power Mech Infra Limited, where the Applicants are directors. Pursuant to the order of Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad on May 21, 2012, S. Kishore Babu, S. Lakshmi and S. Rohit were directed to pay a compounding fee of ₹ 5,000 each. The aforesaid compounding fee has been paid by the applicants.

LITIGATION INVOLVING OUR PROMOTERS

Except as stated below, there is no outstanding litigation involving our Promoters, including criminal prosecutions or civil proceedings involving our Promoters, and there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/ financial institutions by our Promoters (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013).

I. Outstanding litigation and material developments/ proceedings against our Promoters

1. S. Kishore Babu

Criminal proceedings

1. A criminal case bearing No. 225/ALC/J has been filed against our Company and the managing director, S. Kishore Babu ("**Accused**") before the Court of Additional Chief Judicial Magistrate, Jangipur, Murshidabad under Section 50(1) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("**Act**") for violation of Section 7 of the Act read with rule 23 and violation of rule 238(1) of the West Bengal Buildings and Other Construction Workers Rules, 2004 by the inspector on a complaint by Inspector, under BOCW Act, Jangipur("**Petitioner**"). The Petitioner claimed that building workers were employed without obtaining a registration certificate from a competent authority and that the accused did not submit a notice of commencement of work. The Petitioner then served a notice to the accused, and the matter was brought before the Chief Inspector/ Labour Commissioner, Government of West Bengal who gave sanction to the Petitioner to prosecute the Accused through memo number 286/169/08/WBCWB, dated September 10, 2013, under Section 54 of the Act. The case is registered as CR Number 595/2013. The Accused filed a criminal revision petition number 8/2014 before the Additional District and Sessions Judge ("**ADJ**"), Jangipur to set aside the

order dated October 10, 2013 passed by the ACJM, Jangipur. Pursuant to this, ADJ, Jangipur passed an order dated January 17, 2014 under which the case bearing CR Number 595/2013 has been stayed till the next date of the revision petition. The matter is currently pending.

2. A criminal complaint, CA No. 3475/14 dated September 24, 2012 has been filed against our Company, the site in-charge, S. Kishore Babu in his capacity as the Managing Director of our Company and others, in the court of Chief Judicial Magistrate, Singrauli, Madhya Pradesh for violation of Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The case has been admitted as case number 2926/12. The case is related to the fatal accident of a labourer, Balaram Prasad which took place at the Company's site at Singrauli. The Company subsequently paid compensation of ₹ 0.54 million on May 17, 2012 through a demand draft number 614802 dated May 16, 2012 to the Commissioner for Workmen's Compensation, Labour Court, Sidhi. The Chief Judicial Magistrate, Singrauli has issued an order dated December 13, 2014 through which a fine of ₹ 2,000 has been imposed on S. Kishore Babu, which has been duly paid through a challan bearing serial number 28 dated December 13, 2014. .

3. A notice has been issued by the Labour Enforcement Officer (Central), Chhindwara, Madhya Pradesh on January 4, 2012 against our Company, represented by S. Kishore Babu, with respect to irregularities found at the Company's site at NTPC Vindhyachal, district Singrauli with respect to the Contract Labour (Regulation and Abolition) Act, 1970 (the "**Act**"). The Labour Enforcement Officer (Central), Satna (Madhya Pradesh) ("**Prosecutor**") has filed a criminal complaint, dated March 27, 2012 before the Chief Judicial Magistrate, Singrauli (Madhya Pradesh) ("**CJM**") against BHEL and our Company, represented by S. Kishore Babu (collectively, the "**Accused**") for the violations made under the Act and the case has been duly admitted as criminal case number 907/2012. Further, an order has been issued by the CJM dated December 13, 2014 against our Company imposing a fine of ₹ 500 each on the Accused which has been duly paid through a challan bearing no. 4755 (serial numbers 1 and 2) dated December 13, 2014.

4. A proceeding was initiated against our Company, through S Kishore Babu, the project manager, M Vijay Kumar and another (collectively, the "**Accused**") on December 13, 2011 based on an inquiry report dated July 29, 2011 under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**") in the court of the Chief Judicial Magistrate, Singrauli, Madhya Pradesh (the "**Authority**") for the violation of certain provisions of the Act. The inquiry was initiated after a fatal accident occurred at the Company's site at Korba wherein a workman, Gauri Shankar Sahu expired. The Company has deposited a compensation amount of ₹ 0.45 million under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Labour Court, Sidhi on August 26, 2011. Thereafter, through its order dated April 23, 2012 the Chief Judicial Magistrate, Singrauli registered a criminal case number 180/2011 against the Accused persons. The matter is currently pending. Also, after the fatal accident of Gauri Shankar Sahu, a criminal case number 4516/2011 was registered against the project manager, M Vijay Kumar and four others under section 304 A of the IPC before the First Class Judicial Magistrate, Singrauli in which a bailable arrest warrant was issued by the First Class Judicial Magistrate, Singrauli against the project manager through an order dated August 9, 2012. A revision petition was subsequently filed in the Court of District and Sessions Judge, Baidhan, Singrauli by the project manager on the grounds that a proceeding against him in the same matter is already pending under the Act, in the court of the Chief Judicial Magistrate, Singrauli. An order was passed on October 29, 2013 whereby the review petition was dismissed. The Authority has issued an order dated December 13, 2014 wherein a fine of ₹ 2,000 has been imposed on the Accused which has been duly paid through a challan bearing serial numbers 25 to 27 dated December 13, 2014.

5. A first information report dated January 16, 2015 has been submitted before the Judicial Magistrate of First Class-III, Raichur ("**JMFC**") against S. Kishore Babu, Topan Subudh, Syed Minajuddin, Venugopal and others and in relation to the fatal accident of Mateen and Mukilesh and a non-fatal accident of Irfan Ali and Sohidoor Rehman, all workers at our Company's site at Raichur. Through an order dated January 17, 2015, the JMFC has released Topan Subudh, Syed Minajuddin and Venugopal on bail, who had earlier been remanded to judicial custody through an order dated January 16, 2015 issued by the JMFC. The matter is currently pending.

6. Our Company deposited an amount of ₹ 0.64 million towards compensation for the fatal accident of a workman, Santosh Kumar Mehar at the Company's site at Anuppur. The amount was deposited with the Workmen's Compensation Commissioner, Shahdol on June 25, 2014. A show cause notice, dated July

10, 2014 has been issued to S. Kishore Babu and the project manager by the Inspector of Buildings and Constructions, Singrauli (Madhya Pradesh) (the "**Authority**") under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "**Act**"). An inspection was conducted by the Authority on June 14, 2014 after a fatal accident of a workman, Santosh Kumar Mehar occurred on June 12, 2014 at the Company's site at Anuppur in which certain provisions of the Act were found to have been violated at the site. To this, a reply, dated August 5, 2014 was sent to the Authority by the project in-charge, G. Naveen Babu in which said violations were said to have been duly rectified by the Company and the Company also deposited an amount of ₹ 0.64 million towards compensation for the fatal accident with the Workmen's Compensation Commissioner, Shahdol on June 25, 2014. A notice, dated September 12, 2014 has been issued by the office of the labour commissioner, Indore giving an opportunity to the Company to show cause as to why sanction may not be granted for prosecution against the Company for the said violations under the Act. The Company has duly replied to the notice on October 9, 2014 giving the reasons for the accident and has asked that no proceedings be initiated against them. A criminal case (1379/14) has been initiated in the Court of Chief Judicial Magistrate, Anuppur ("**CJM**") against S. Kishore Babu, as the chairman and managing director of our Company and others ("**Accused**") for offences committed under the Act. Through an order dated December 13, 2014 the CJM has imposed a fine of ₹ 2,000 each on the Acused. The amount has been duly paid through challans dated December 13, 2014.

Tax Proceedings

1. Pursuant to a warrant of authorization dated December 2, 2014 issued under Section 132 of the IT Act by the Director of Income Tax (Inv.), Hyderabad, search operations were conducted at the premises of S. Kishore Babu at 8-2-293/821A/839/11/A, Road No. 44A, Jubilee Hills, Hyderabad ("**Hyderabad Residence**") and at D No. 60-22-4/13/1, Gayatri Nagar, Vijayawada ("**Vijayawada Residence**"). Also, two orders dated December 3, 2014, under Section 132 (3) of the IT Act were issued to S. Kishore Babu, the first order directing him not to part with certain items present at the Vijayawada Residence and the second order, directing him not to remove, part with or otherwise deal with the articles and amount lying in certain bank accounts and lockers. In continuation of the aforementioned, the income tax officials also visited the Hyderabad Residence and Vijayawada Residence on January 8, 2015 and January 13, 2015, respectively. In the search operations, income tax officials seized an amount of ₹ 0.15 million in cash and certain records from the Hyderabad Residence. No article was, however, seized from the Vijayawada Residence. In relation to the Hyderabad Residence, the relevant official of the income tax department issued two panchnamas dated December 4, 2014 and January 8, 2015 which were received by S. Kishore Babu on their respective dates of issuance. Similarly, in relation to the Vijayawada Residence, the relevant official of the income tax department issued two panchnamas dated December 3, 2014 and January 13, 2015 which were received by Sai Malleswara Rao, a member of our Promoter Group and S. Lakshmi, our Promoter, respectively, on their respective dates of issuance. The matter is currently pending.

2. The Income Tax Officer (Intelligence)-1, Hyderabad ("**Authority**") has sent a notice F. No. ITO (Intell-1)/38/2013-14 dated December 16, 2014 ("**Notice**") to S. Kishore Babu directing him to furnish details in realtion to a purchase of an immovable property of value exceeding ₹ 3 million during the financial year 2010-11. S. Kishore Babu has sent a reply to the Authority dated December 17, 2014 wherein documents and statements have been provided by him in relation to the Notice to the Authority.

   For further information in relation to matters involving S Kishore Babu, see litigations in the sub-sections titled "*Litigation involving our Company – Outstanding Litigation/proceedings against our Company-Notices from Statutory and Regulatory Authorities"* on Page 410, "*Litigation involving our Company – Potential Litigation against our Company"* on Page 426 and "*Litigation involving our Company – Outstanding Litigation/proceedings against our Company – Labour Matters*" on Page 404.

2. S. Lakshmi

1. The Assistant Commissioner of Income Tax – CPC, Bangalore ("**Authority**") has sent an intimation, dated August 4, 2014 ("**Notice**") under section 245 of the Income Tax Act, 1961 to S. Lakshmi in relation to a return of income filed for the AY 2013-14 on September 29, 2013. The refund that was determined during the processing has been adjusted towards outstanding demands of ₹ 7,812 for the AY 2012-13, ₹ 720 for the AY 2011-12, ₹ 3,810 for AY 2010-11, ₹ 1.02 million for AY 2009-10, ₹ 0.21 million for AY 2008-09 and ₹ 6,973 for AY 2002-03. The payments of ₹ 7,812 for the AY 2012-13, ₹ 720 for the AY

2011-12, ₹ 3,810 for AY 2010-11 and ₹ 6,973 for AY 2002-03 have been made on October 21, 2014. The matter is currently pending with respect to AY 2008-09 and 2009-10. A reply to the Notice has been made by S. Lakshmi, through a chartered accountant asking the Authority to provide physical copies of intimations in relation to the AY 2002-03, 2008-09, 2009-10 and 2010-11 in order to apply for rectification for tax not credited. The matter is currently pending.

2. The Municipal Corporation, Circle-III Office, Patamata, Vijayawada has issued a show cause notice dated October 25, 2014 ("**SCN**") to S. Lakshmi as the director of PMIL ("**Noticee**") wherein the Noticee has been asked to submit the details, including the connected copies of the registered title deeds of the property situated at D 40-1-46, M.G. Road of 26, Revenue Ward of Labbipet which is owned by PMIL. In the SCN it has been stated that during the outdoor inspections of the property, the said land has been found to be vacant.

For information in relation to matters involving S Lakshmi, see litigations in "*Litigation involving our Company – Outstanding Litigation/proceedings against our Company – Notices from Statutory and Regulatory Authorities* on Page 410.

3. S. Rohit

The Municipal Corporation, Circle-III Office, Patamata, Vijayawada has issued a show cause notice dated October 25, 2014 ("**SCN**") to S. Rohit wherein he has been asked to submit the details, including the connected copies of the registered title deeds of the property situated at D 40-1-46, M.G. Road of 26, Revenue Ward of Labbipet which is owned by PMIL. In the SCN it has been stated that during the outdoor inspections of the property, the said land has been found to be vacant.

4. S. Vignatha

A notice dated February 24, 2015 has been issued to S. Vignatha by the Office of the Commissioner of Income Tax, Vijayawada directing her to appear before the Commissioner of Income Tax, Vijayawada for the hearing in relation to transfer of the proceedings in connection with the search and seizure operations carried out on December 3, 2014 at our Company's office.

5. S. Kishore Babu (HUF)

NIL

II. Outstanding litigation and material developments/ proceedings filed by our Promoters

1. S. Kishore Babu

NIL

2. S. Lakshmi

NIL

3. S. Rohit

NIL

4. S. Vignatha

NIL

5. S. Kishore Babu (HUF)

NIL

III. Details of past penalties imposed on our Promoters

A petition was filed by S. Kishore Babu, S. Lakshmi and S. Rohit (the "**Applicants**") in 2011 for compounding of offences under section 621A of the Companies Act, 1956 in relation to delay of 156 days in submitting the certified copy of the statutory report in e-form no. 22 to be filed with the Registrar of Companies by Power Mech Infra Limited, where the Applicants are directors. Pursuant to the order of Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad on May 21, 2012, S. Kishore Babu, S. Lakshmi and S. Rohit were directed to pay a compounding fee of ₹ 5,000 each. The aforesaid compounding fee has been paid by the applicants.

IV. Proceedings initiated against our Promoters for economic offences

NIL

V. Litigations/ defaults in respect of companies/firms/ventures with which our Promoters were associated in the past

There are no litigation/ defaults initiated in respect of companies/ firms/ ventures with which our Promoters were associated in the past.

VI. Litigation/ legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter

No litigation/ legal action is pending or has been taken by any Ministry or Department of the Government o India or any statutory authority against any of our Promoters in the last five years.

LITIGATION INVOLVING OUR DIRECTORS

Except as disclosed in this section, there is no outstanding litigation involving our Directors including criminal prosecutions or civil proceedings involving our Directors, and there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/financial institutions by our Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013).

I. Outstanding litigation and material developments/proceedings against our Directors

1. S. Kishore Babu

Please refer to the sub-section titled, "*Outstanding Litigation and Defaults- Litigation involving our Promoters – Outstanding litigation and material developments/ proceedings against our Promoters- S. Kishore Babu*" on Page 430.

For further information in relation to matters involving S Kishore Babu, see litigation in the sub-sections titled "*Outstanding Litigation and Defaults- Outstanding Litigation/proceedings against our Company – Notices from Statutory and Regulatory Authorities"* on Page 410, "*Outstanding Litigation and Defaults- Outstanding Litigation/proceedings against our Company – Potential Litigation against our Company"* on Page 426 and "*Outstanding Litigation and Defaults- Outstanding Litigation/proceedings against our Company – Labour Matters*" on Page 404.

2. M. Rajendran

Our Company deposited an amount of ₹ 0.61 million towards compensation for fatal accident of a workman, Gautam Shrivastav, at their site at Vindhyachal, Singrauli. The amount was deposited under Section 8(1) of the Workmen's Compensation Act, 1923 to the Commissioner of Workmen's Compensation, Sidhi on January 18, 2012. A complaint letter, dated May 29, 2012 has subsequently been filed against our Company through our director M Rajendran and others, in the Court of the Chief Judicial Magistrate, Singrauli, Madhya Pradesh under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 , 1996 (the "**Act**") by the factory inspector after irregularities under the Act were found in the inspection report of the deputy director of industrial health and safety, dated December 19, 2011 which was made after the accident. A penalty of ₹ 2,000 each has been imposed on M Rajendran and the site in-charge which has been duly paid.

For further information in relation to matters involving M Rajendran, see litigations in "*Outstanding Litigation and Defaults- Outstanding Litigation/proceedings against our Company – Notices from Statutory and Regulatory Authorities*" on Page 410.

3. S. Lakshmi

For information in relation to matters involving S Lakshmi, see litigations in "*Outstanding Litigation and Defaults- Outstanding Litigation/proceedings against our Company – Notices from Statutory and Regulatory Authorities*" on Page 410.

4. G.D.V. Prasada Rao

NIL

5. Rakesh Sony

The Ministry of Commerce and Industry, through the office of additional director general of foreign trade ("**Authority**") has issued a show cause notice, dated September 19, 2014 to our director, Rakesh Sony in his capacity as director of Minda Industries Limited under the Foreign Trade (Development and Regulation) Act, 1992 (the "**Act**"). Under the notice, it had been alleged that Minda Industries Limited contravened the hand book of procedures read with the public notice number 12, dated July 26, 2012, The Authority has given notice to Minda Industries Limited to show cause as to why action should not be taken against it under the Act for obtaining SHIS through mis-declaration and suppression of facts. On October 8, 2014 Minda Industries Limited was given a hearing by the Authority in which it submitted the necessary documents. The Authority subsequently has issued an order dated October 9, 2014 imposing a penalty of ₹ 0.10 million on Minda Limited Industries and its directors.

6. M.L. Sah

NIL

7. Amitabha Guha

A civil suit, OS 1464/2011 before the Sub Court, Thrissur has been filed by Jose P Lazar ("**Petitioner**") against South Indian Bank (the "**Bank**"), represented by its Chairman, Amitabha Guha ("**Respondent**"). In the suit, the Petitioner has claimed that he was working as a manager at the Dindigal branch of the Bank and was suspended November 2, 2009 on accounts of a false report without proper investigation and without seeking any explanation from the Petitioner. The Petitioner was then dismissed from duty on September 23, 2010 by conducting a mock enquiry where the Petitioner was not given a chance to be heard. The Petitioner then filed an appeal at the head office of the Bank at Thrissur which was also dismissed. The Petitioner has thus, prayed for an order directing the Bank to reinstate the Petitioner in the service of the Bank or in alternative allow the petitioner all his salary and allowances till the Petitioner's retirement, as damages. A reply has been filed by the Respondent on January 4, 2012 in the Sub Court of Thrissur requesting the court to dismiss the petition as the same is not maintainable. The matter is currently pending.

8. T. Sankaralingam

NIL

II. Outstanding litigation and material developments/proceedings filed by our Directors

1. S. Kishore Babu

Please refer to the sub-section titled, "*Outstanding Litigation and Defaults- Litigation involving our Promoters- Outstanding litigation and material developments/ proceedings filed by our Promoters- S. Kishore Babu*" on Page 433.

2. M. Rajendran

NIL

3. S. Lakshmi

Please refer to the sub-section titled, "*Outstanding Litigation and Defaults- Litigation involving our Promoters- Outstanding litigation and material developments/ proceedings filed by our Promoters - S. Lakshmi*" on Page 433.

4. G.D.V. Prasada Rao

NIL

5. Rakesh Sony

NIL

6. M.L. Sah

NIL

7. Amitabha Guha

NIL

8. T. Sankaralingam

NIL

III. Proceedings initiated against our Directors for economic offences

NIL

IV. Details of past penalties imposed on our Directors

Except for the penalties mentioned in the sub-section titled "*Outstanding Litigation and Defaults- Litigation Involving our Promoters- Details of past penalties imposed on our Promoters"* on Page 433, no other penalties have been imposed on our Directors.

GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our 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 our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

A. Approvals relating to the Fresh Issue

1. The Board, pursuant to its resolution dated June 26, 2014, authorised the Fresh Issue subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary;

2. The shareholders of our Company have, pursuant to their resolution dated October 16, 2014. under Section 62(1)(c) of the Companies Act, 2013, authorised the Fresh Issue;

3. In-principle approval from the NSE dated December 4, 2014;

4. In-principle approval from the BSE dated January 1, 2015;

5. The Central Depository Services (India) Limited vide their letter dated August 22, 2014 intimated our Company about the activation of the International Securities Identification Number (ISIN) for the purpose of availing depository services. The ISIN number allotted to us is INE211R01019; and

6. The National Securities Depository Limited vide its letter dated September 8, 2014 intimated our Company about the activation of the International Securities Identification Number (ISIN) INE211R01019 for our Company being activated in NSDL system.

B. Approvals relating to Offer for Sale

The Offer for Sale has been authorised by the Selling Shareholders as follows: (i) India Business Excellence Fund I has authorised offer of 1,689,300 Equity Shares in the Offer for Sale by way of the board resolution dated October 9, 2014; (ii) India Business Excellence Fund has authorised offer of 438,700 Equity Shares in the Offer for Sale by way of letter dated October 15, 2014 from MOPE Investment Advisors Private Limited, it's investment managers; (iii) P Srinivasa Rao has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014; and (iv) D Aakashnag, represented by his guardian, D.S. Rao, has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014.

Further, the Board has taken on record the approval of the Offer for Sale by the Selling Shareholders pursuant to the resolution of the IPO Committee dated October 29, 2014. This Red Herring Prospectus has been approved pursuant to the resolution of the Board dated July 7, 2015 and IPO Committee dated July 29, 2015.

C. Approvals relating to our business and operations

I. Incorporation details

1. Certificate of incorporation 01-32156 dated July 22, 1999 granted to Power Mech-Projects Private Limited.

2. Fresh certificate of incorporation consequent to the change in the status of our Company from a private limited to a public limited company dated October 16, 2007 granted to Power Mech-Projects Limited.

3. Fresh certificate of incorporation dated November 1, 2010 consequent to change of name of company from Power Mech-Projects Limited to Power Mech Projects Limited.

II. Business approvals

General approvals

1. PAN Card – Our Company has been issued a permanent account no. AACCP0818L by the Income Tax Department, Government of India.

2. VAT Registration – Our Company is registered under the VAT statutes of the following states:

S. No.	Date of issue	Valid with effect from	Issuing authority	State	TIN/ TRN
1.	July 18, 2014	June 2, 2014	Assistant Commercial Tax Officer IV, Autonagar Circle, Vijayawada	Andhra Pradesh	37130267328
2.	March 13, 2014	March 13, 2014	Superintendant of Taxes, Naharkatia	Assam	18460191758(GRN)
3.	March 30, 2010	March 12, 2010	Office of the Assistant Commissioner of Commercial Taxes, Barh circle	Bihar (Barh)	10021478055
4.	April 13, 2012	April 1, 2012	Office of the Deputy Commissioner of Commercial Taxes, Begusarai circle	Bihar (Barauni)	10365456046
5.	November 14, 2014	November 1, 2014	Office of the Deputy Commissioner of Commercial Taxes, Patna Special Circle	Bihar (Patna)	10011393044
6.	June 18, 2012	June 1, 2012	Office of the Commercial Taxes Officer, Korba circle II	Chattisgarh	22255200936
7.	March 29, 2012	March 15, 2012	Department of Value Added Tax, Government of NCT of Delhi	Delhi	07940417443
8.	July 2, 2008	May 29, 2008	Commercial Tax Department, Government of Gujarat	Gujarat	24010900404
9.	December 4, 2007	September 24, 2005	Commercial Taxes Department, Government of Jharkhand	Jharkhand	20132205180
10.	January 24, 2013	August 1, 2005	LVO 530, Raichur	Karnataka	29100452074
11.	January 4, 2011	December 19, 2000	Commercial Taxes Department, Government of Madhya Pradesh	Madhya Pradesh	23494702450
12.	June 1, 2007	June 1, 2007	Sales Tax Officer, Sales Tax Department, Maharashtra	Maharashtra	27170611585V
13.	February 28, 2013	May 29, 2008	Registering Authority, D.C.S.T, Jharsuguda Circle	Odisha	21791708995
14.	November 8, 2010	October 18, 2010	Excise & Taxation Officer, Bhatinda	Punjab	03542082152
15.	September 12, 2007	April 1, 2007	Assistant Commissioner, Commercial Taxes	Rajasthan	08632909333

S. No.	Date of issue	Valid with effect from	Issuing authority	State	TIN/ TRN
			Department, Kota		
16.	May 20, 2015	May 20, 2015	Assistant Commissioner (Commercial Taxes), Virudhachalam	Tamil Nadu	33546307171
17.	July 22, 2014	June 2, 2014	Assistant Commercial Tax Officer, Commercial Taxes Department, Madhapur Circle	Telangana	36130267328
18.	November 12, 2010	November 1, 2010	Superintendent of Taxes, Government of Tripura, Charge – V, Agartala	Tripura	16052358026
19.	March 3, 2009	December 30, 2008	Registering Authority, Department of Commercial Taxes, Government of Uttar Pradesh	Uttar Pradesh	09309207220
20.	July 10, 2009	October 16, 2007	Joint Commissioner, Commercial Taxes, Durgapur Charge	West Bengal	19746467026

3. Service Tax Registration - Our Company has been issued a service tax code (registration no.) AACCP0818LST001 and is registered under the Finance Act, 1994 read with the Service Tax Rules, 1994.

4. TAN Registration - Our Company has been allotted a TAN registration no. HYDP01028G by the Income Tax Department, Government of India.

5. Registration under the Central Sales Tax Act, 1956 - Our Company has obtained registration under the Central Sales Tax Act, 1956 in the following states:

S. No.	Date of issue	Valid with effect from	Issuing Authority	Site/State	Registration number
1.	July 18, 2014	June 2, 2014	Assistant Commercial Tax Officer IV, Autonagar Circle, Vijayawada	Andhra Pradesh	37130267328
2.	March 30, 2012	March 15, 2012	Notified Authority	Bawana Industrial Area, New Delhi	07940417443
3.	April 10, 2014	March 1, 2014	Superintendant of Taxes, Naharkatia	Namrup, Dibrugarh, Assam	18759942752
4.	February 12, 2007	September 20, 2005	-	Chandrapura, Jharkhand	TG 766
5.	November 8, 2010	November 8, 2010	Issuing Authority, Punjab	GNDTP, Malout Road, Bathinda, Punjab	03542082152
6.	September 12, 2007	June 29, 2007	Assistant Commissioner, Commercial Taxes Department, Kota	Kota Thermal Power Station, Kota, Rajasthan	08632909333
7.	July 22, 2014	June 2, 2014	Assistant Commercial Tax Officer, Commercial Taxes Department, Madhapur Circle	Telangana	36130267328
8.	November 12, 2010	November 1, 2010	Superintendent of Taxes, Government of	Agartala, Tripura	16052358228

S. No.	Date of issue	Valid with effect from	Issuing Authority	Site/State	Registration number
			Tripura, Charge – V, Agartala		
9.	November 23, 2007	November 22, 2007	Sales Tax Officer, Asansol Charge, Asansol, Burdwan	Raniganj, West Bengal	19746467220
10.	January 24, 2013	January 21, 2013	LVO 530- Raichur	Raichur, Karnataka	29100452074
11.	January 5, 2012	November 15, 2011	Commerical Tax Department, Government of Bihar	Barh, Bihar	10021337163
12.	September 23, 2014	September 23, 2004	Notified Authority	Jamnipali. Chattisgarh	22255200936
13.	July 2, 2008	May 29, 2008	Notified Authority	Tunda, Gujarat	24510900404
14.	May 20, 2015	May 20, 2015	Commercial Taxes Department, Governent of Tamil Nadu	Neyveli, Tamil Nadu	33546307171

6. Registration under the Assam Entry Tax Act, 2008- The Superintendent of Taxes, Naharkatia issued a registration certificate no. 18038805609 dated July 16, 2014 for the Company’s site at Namrup, dist. Dibrugarh, Assam with a liability to pay tax with effect from March 1, 2014.

7. Registration under the Bihar Tax on Entry of Goods into Local Areas for Consumption, Use or Sale therein Act, 1993 - The Assistant Commissioner of Commercial Taxes issued registration certificate no. 10021235211 dated June 14, 2013, for the Company’s site at Barh, Bihar, with a liability to pay tax with effect from January 7, 2012.

8. Registration under the Bihar Tax on Entry of Goods into Local Areas for Consumption, Use or Sale therein Act, 1993 - The Deputy Commissioner of Commercial Taxes issued registration certificate no. TIN 10011020206 dated November 14, 2014, for the Company’s site at Patna, Bihar, with a liability to pay tax with effect from November 1, 2014.

9. Registration under the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999- The Assistant Commissioner, Circle-A, Kota issued registration certificate no. 2001/N01071 dated March 14, 2012, for the Company’s site at Jhalawar, Rajasthan.

10. Registration under the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 (West Ben. Act VI of 1979)- The Prescribed Authority, WB Central Unit-V, Barasat has issued a certificate of registration bearing no. 191000087015 dated September 24, 2014 valid with effect from April, 2014.

11. Registration under the Odisha State Tax on Professions, Trades, Callings and Employments Act, 2000- The Assessing Authority, Deputy Commissioner of Sales Tax, Jharsuguda Circle, issued a certificate of enrolment bearing no. 4334 dated September 27, 2014, valid with effect from May 29, 2008.

12. Registration under the Telangana Tax on Professions, Trades, Callings and Employments Act, 1987- The Professional Tax Officer, Madhapur Circle, issued a TG profession tax payer registration certificate bearing no. 36804581243 dated October 14, 2014, valid with effect from June 2, 2014.

13. Registration under the Telangana Tax on Professions, Trades, Callings and Employments Act, 1987- The Professional Tax Officer, Madhapur Circle, issued a TG profession tax payer enrolment certificate bearing no. 36125937799 dated October 14, 2014, valid with effect from June 2, 2014.

14. Registration under the Andhra Pradesh Tax on Professions, Trades, Calling and Employment Act, 1987 – The Deputy Commissioner (Revenue), Municipal Corporation, Vijayawada issued a certificate of registration (PTIN: 0049/2014-15) and a profession tax payer enrolment certificate (PTIN: 0053/2014-15) both, dated August 25, 2014, valid with effect from July 1, 2014.

Labour related approvals

1. Registration under the Inter State Migrant Workmen (Regulation of Employment and Condition of Service) Act, 1979 - Our Company is registered under the Inter State Migrant Workmen (Regulation of Employment and Condition of Service) Act, 1979 at the following sites:

Location	Issuing Authority	Date of issue	License No.	Valid up to
Anuppur	The office of the Regional Labour Officer, Anuppur (M.P),	March 19, 2012	6/ANP/ISM/2012	December 31, 2015
Avantha	The office of the Licensing Officer, Government of Chattisgarh	April 25, 2014	186/RGH/2014	December 31, 2015
Banharpali	Office of the Assistant Labour Commissioner, Jharsuguda	April 28, 2015	ISMW/JSG/237	December 31, 2015
Bhavanapadu	The office of the Licensing Officer and Joint Commissioner of Labour, Vishakhapatnam	March 31, 2015	JCL/VSP/ISM/C/33/2015	March 11, 2016
Champa	The office of Labour Officer and Licensing Officer, Dist. Janjgir, Champa	May 28, 2014	289/ISMWA/JC/2014	December 31, 2015
Champa - DB Power (O&M)	The office of the Licensing Officer, Janjgir, Champa	September 13, 2014	302/ISMWA/JC/2014	December 31, 2015
Derang (Angul)	The office of the Licensing Officer under the Inter-State Migrant Workmen (Regulation of Employment and Condition of Service) Act, Talcher	February 28, 2014	ISMW 52/2014	December 31, 2015
Kudgi (Boiler)	The office of the Regional Labour Commissioner (Central), Bellary	February 11, 2014	08/2014-RLC/BLY	February 10, 2016
Installation, testing , commissioning (Electrostatic precipitator package (ESP) stage I, Kudgi	The office of the Regional Labour Commissioner (Central), Bellary	February 11, 2014	09/2014-RLC/BLY	February 10, 2016
Janjgir(AMC)(BTG)	The office of the Labour officer and Licensing officer, Janjgir, Champa	May 28, 2014	288/ISMWA/JC/2014	December 31, 2015
Janjgir (AMC)(BOP)	The office of the Labour officer and Licensing officer, Janjgir, Champa	August 22, 2013	251/ISMWA/JC/2013	December 31, 2015
Janjgir	The office of the Labour Officer & Licensing Officer, Jangjir, Champa	November 3, 2010	80/ISMWA/2010	December 31, 2015
Jharsuguda	Licensing Officer and District Labour Officer	June 29, 2015	243	December 31, 2015
Namrup	Assistant Labour Commissioner, Dibrugarh	April 11, 2014	ISMW/RC/75	April 19, 2016
Navapara	The office of the Licensing Officer, Government of Chattisgarh	June 30, 2014	194/RGH/2014	December 31, 2015
Monarchak	Assistant Labour Commissioner (Central),	October 15, 2012	ISMW/06/2012-S/A	October 14, 2015

Location	Issuing Authority	Date of issue	License No.	Valid up to
	Silchar			
Mouda	Assistant Labour Commissioner (Central) and Licensing Officer ISMW (RE & CS), Nagpur	September 12, 2014	ALCN/47(L)/07/2014-ISMW	September 11, 2015
Raipur	Licensing Officer, Raipur	April 17, 2013	114/RPR/2013	December 31, 2015
Sasan	Licensing Officer, Singrauli	June 10, 2013	03/ISMW/SGRL/2013	December 31, 2015
Singatrai	Licensing Officer, Janjgir-Champa	August 27, 2013	253/ISMWA/JC/2013	December 31, 2015
Singatrai	The office of the Licensing Officer, Janjgir-Champa	May 17, 2013	233/ISMWA/JC/2013	December 31, 2015

2. Registration under the Contract Labour (Regulation and Abolition) Act, 1970 and Contract Labour (Regulation & Abolition) Rules, 1979 – Our company is registered under the Contract Labour (Regulation and Abolition) Act, 1970 and Contract Labour (Regulation & Abolition) Rules, 1979 at the following sites:

Location	Issuing Authority	Date of issue	License No.	Valid up to
Angul	District Labour Officer and Licensing Officer under the Contract Labour (Regulation and Abolition) Act, 1970, Talcher	June 4, 2013	DLO (T) 311/2013	June 3, 2016
Angul	Assitant Labour Commissioner and District Labour Officer, Angul	September 25, 2014	878/2014	September 24, 2015
Anpara-D (ETC)	The office of the Licensing Officer, Office of the Deputy Labour Commissioner, Mirzapur region, Sonbhadra	February 6, 2013	22	December 25, 2015
Anpara – D	The office of the Licensing Officer, Office of the Deputy Labour Commissioner, Mirzapur region, Sonbhadra	March 4, 2014	27	February 16, 2016
Anuppur	The office of the Labour Commissioner, Anuppur	August 19, 2011	30/ANP/CL/2011	December 31, 2015
Avantha	The office of the Licensing Officer, office of the Deputy Labour Commissioner, Raigarh Government of Chattisgarh	April 25, 2014	1706/RGH/2014	December 31, 2015
Bandel	The office of the Licensing officer, Government of West Bengal	November 8, 2013	CND/L/1784/47/2013	December 31, 2015
Banharpali	Office of the Assistant Labour Commissioner, Jharsuguda	April 28, 2015	CL/JSG/1252/2015	April 27, 2016
Barauni(Unit # 6)	The office of the Licensing Officer, Government of Bihar	July 11, 2012	1782	July 10, 2016
Barauni (Unit # 7)	The office of the	December 9,	1576	November 29,

Location	Issuing Authority	Date of issue	License No.	Valid up to
	Licensing Officer, Government of Bihar	2011		2015
BALCO (Mechanical work)	The office of the Licensing Officer, Deputy Labour Commissioner Office, Korba (Chattisgarh)	March 5, 2014	6709/KRBA/2014	December 31, 2015
BALCO (Preservation work)	The office of the Licensing Officer, Deputy Labour Commissioner Office, Korba (Chattisgarh)	May 21, 2014	6787/KRBA/2014	December 31, 2015
Barh (ETC)	Office of the Deputy Labour Commissioner (Central), Patna	June 4, 2014	L-91/2014/ALC-1	June 3, 2016
Barh (STG)	Office of the Deputy Labour Commissioner (Central), Patna	June 4, 2014	L-90/2014/ALC-1	June 3, 2016
Bhavanapadu	The office of the Licensing Officer and Joint Commissioner of Labour, Vishakhapatnam	March 24, 2015	JCL/VSP/CL/8571 /2015	February 29, 2016
Bikaner (AMC)	The office of the Licensing Officer, Bikaner, Government of Rajasthan	July 24, 2014	1657	December 31, 2015
Bellary	Office of the Licensing Officer, Government of Karnataka	November 18, 2013	1246:2013-2014	November 17, 2015
BHEL- Yermarus (Raichur)	The office of the Licensing Officer and Assistant Labour Commissioner, Gulbarga	December 29, 2014	ALCG/CLA/GD-44/2014	December 28, 2015
BHEL- Yermarus (Raichur)	The office of the Licensing Officer and Assistant Labour Commissioner, Gulbarga	August 25, 2014	ALCG/CLA/GD-20/2014	August 24, 2016
Bina (AMC)	The office of the Licensing Officer, Jabalpur (M.P)	March 18, 2014	J-46(1-47)/2014-ALC	March 17, 2016
Bokaro	The office of the Assistant Labour Commissioner (Central), Hazaribagh	June 24, 2011	64	June 23, 2016
Burnpur	Licensing Officer, Asansol, Ministry of Labour and Employment, Government of India	September 2, 2011	No. 46/(110)2011 E-2	August 30, 2015
Chabra (Boiler)	The office of the Licensing Officer, Baran, Government of Rajasthan	January 9, 2014	01/2014	December 31, 2015
Chabra (ETC)	Licensing Officer, Contract Labour (Regulation and Abolition) Act, Baran, Rajasthan	May 11, 2015	011	December 31, 2015
Chabra (ESP)	The office of the Licensing Officer, Baran, Government of Rajasthan	April 21, 2014	013	December 31, 2015

Location	Issuing Authority	Date of issue	License No.	Valid up to
Champa (AMC)	The office of the Licensing Officer, Deputy Labour Commissioner Office, Janjgir , Champa	May 28, 2014	601/Contract Labour/J.C/2014	December 31, 2015
Champa (O&M)	Office of the Licensing Officer, Janjgir-Champa	September 13, 2014	630/2014	December 31, 2015
Chachai	Office of the Licensing Officer, Labour Office, Umriya (Madhya Pradesh)	November 8, 2006	410/SDL/CL/2006	December 31, 2015
Chachai (O&M)	The Office of the Licensing Officer, Labour Office, Anuppur	September 21, 2001	261-41/SDL/CL/2001	December 31, 2015
Chandrapur	The office of the Licensing Office, Chandrapur, Government of Maharshtra	April 18, 2011	31/2011	December 31, 2015
Chandrapur (AMC)	The office of The Licensing Officer, Chandrapur, Government of Maharshtra	June 5, 2013	88/2013	December 31, 2015
Dahej	The office of the Asst. Labour Commissioner (Central), Vadodara	April 22, 2013	BRC/ALC/LIC/46 (140)/2013	April 21, 2016
Dahej	The office of the Asst. Labour Commissioner (Central), Vadodara	April 22, 2013	BRC/ALC/LIC/46 (141)/2013	April 21, 2016
Dahej	The office of the Asst. Labour Commissioner (Central), Vadodara	April 22, 2013	BRC/ALC/LIC/46 (142)/2013	April 21, 2016
Dahej-Thermax	Deputy Labour Commissioner, Bharuch	December 24, 2013	CLC/License/67/2013	December 23, 2015
Derang	District Labour Officer and Licensing Officer, under the C.L.(R&A) Act, Talcher	February 28, 2014	DLO(T)335/2014	February 27, 2016
Goindwal	The office of the Licensing Officer, Amritsar	July 25, 2011	LCO ASR-3/117-67	December 31, 2015
Haldia	The office of the licensing officer, Government of West Bengal	September 26, 2012	255/Con/L/12	December 31, 2015
Haldia (O&M)	The office of the Licensing Officer, Government of West Bengal	January 7, 2015	32/Con/L/15	December 31, 2015
Janjgir (AMC)	The office of the Labour Officer, Janjgir, Champa	August 22, 2013	543/2013	December 31, 2015
Janjgir (AMC)	The office of the Labour Commissioner, Haryana	February 19, 2015	CLA/JJR/15/129	December 31, 2015
Janjgir (BOP)	The office of the Labour Officer, Janjgir, Champa	May 28, 2014	600/2014	December 31, 2015
Janjgir (Boiler)	The Office of the Licensing Officer, Labour Officer, Janjgir, Champa	November 3, 2010	266/2010	December 31, 2015
Jharsuguda	District Labour Officer cum Licensing Officer	June 29, 2015	CL/JSG/1271/2015	June 28, 2016
Kalisindh	The office of the	January 14,	01/2010	December 31,

Location	Issuing Authority	Date of issue	License No.	Valid up to
	Licensing Officer, Jhalawar, Government of Rajasthan	2010		2015
Kawai	The office of the Licensing Officer, Labour Office, Baran, Government of Rajasthan	June 6, 2013	19/2013	December 31, 2015
Koradi	The office of the Licensing Officer, Nagpur	July 12, 2011	909/D-1/2011	December 31, 2015
Korba	The office of the Assistant Labour Commissioner, District Korba, Chhattisgarh	October 6, 2008	3795/KRBA/2008	December 31, 2015
Korba	The office of the Assistant Labour Commissioner, District Korba, Chhattisgarh	February 12, 2015	6974 to 6980 /KRBA/2015	December 31, 2015
Kothagudem	The office of the Licensing Officer and Joint Commissioner of Labour, Warangal Region, Warangal	June 12, 2015	E – 2158	June 9, 2016
Krishnapatnam	The office of Licensing Officer & Joint Commissioner of Labour, Guntur zone, Guntur	February 21, 2012	JCL/GNT/CL/877/ 2012	January 18, 2016
Krishnapatnam	The office of Licensing Officer & Joint Commissioner of Labour, Guntur zone, Guntur	January 23, 2015	JCL/GNT/CL/139 5/2015	January 1, 2016
Kudige (ESP)	The office the Regional Labour Commissioner (Central), Bellary	October 8, 2013	175/2013-RLC/BLY	October 6, 2015
Kudige (Boiler)	The office of the Regional Labour Commissioner (Central), Bellary	April 22, 2013	52/2013-RLC/BLY	April 21, 2016
Maithon	Licensing Officer under the Contract Labour (Regulations and Abolition) Act, 1970	September 14, 2011	4450	September 12, 2015
Monarchak	Assistant Labour Commissioner (Central), Silchar	October 15, 2012	CLA/212/2012-S/A	October 14, 2015
Mouda	The office of the Licensing officer and Asst. Labour Commissioner (Central), Nagpur	May 15, 2012	ALCN/46/L/88/20 12/CL	May 14, 2016
Mouda (TG)	Office of the Licensing Officer under the Contract Labour (Regulation and Abolition) Act, 1970 and Central Rules, 1971, Nagpur	June 10, 2011	ALCN/46/L/70/20 11/CL	June 9, 2016
Mangalore	The office of the Assistant Labour Commissioner (Central) and Licensing Officer, Mangalore	November 29, 2010	147/2010-A/M(L)	November 28, 2015

Location	Issuing Authority	Date of issue	License No.	Valid up to
Mundra – Adani	Licensing Officer, Contract Labour (Regulation and Abolition) Rules, 1970, Gandhidham, Kutchh	July 10, 2015	275/15	June 29, 2016
Mundra UMPP	The office of the Licensing Officer and Deputy Labour Commissioner, Government of Gujarat	June 2, 2011	252/11	September 30, 2015
Muzzafarpur	The office of the Regional Labour Commissioner (Central)	April 24, 2012	L-80/2012/ALC-II	April 23, 2016
Nabinagar	Licensing Officer, Contract Labour (Regulations and Abolition) Act, 1970, Patna	October 16, 2014	L-154/2014/ALC-I	October 15, 2015
Namrup	The office of the Licensing Officer, Dibrugarh, Assam	April 11, 2014	CLL/D/4106	April 10, 2016
Navapara	The Office of the Licensing Officer, Labour Office, Raigarh, Government of Chattisgarh	June 30, 2014	1729/RGH/2014	December 31, 2015
Nellore	The office of the Licensing Officer and Joint Commissioner of Labour, Guntur	February 18, 2011	JCL/GNT/CL/663/ 2011	February 13, 2016
Nellore (AMC)	The office of the Licensing Officer and Joint Commissioner of Labour, Guntur Zone, Guntur	February 25, 2013	C/1077/JCL/GNT/ 2013	February 14, 2016
Nigrie (AMC)	Office of the Licensing Officer, Sub-division, Singrauli	December 16, 2014	740/L/SGRL/2014	December 31, 2015
Paradeep	Assistant Labour Commissioner (c) cum Licensing Officer, Bhubaneshwar	December 26, 2011	L/II/218/2011	December 26, 2015
Raichur	Office of the Licensing Officer & Assistant Labour Commissioner, Gulbarga Division, Gulbarga	July 21, 2012	ALCG/CLA/GD-RCH/18/2012	July 20, 2016
Raipur	The office of the Additional Labour Commissioner, Raipur	August 12, 2011	5242/RPR/2012	December 31, 2015
Rajpura(AMC)	The office of the Licensing Officer (Punjab Govt.)	January 13, 2014	223/2014	December 31, 2015
Rayalseema	The office of the Licensing Officer, Government of Andhra Pradesh	December 17, 2012	F.no:1083/JCL-KNL/2012	December 27,2015
Sagardighi	The office of the Licensing Officer, Government of West Bengal	May 9, 2012	JANGI/28/L/CL/1 2	December 31, 2015
Sagardighi	The office of the Licensing Officer,	July 8, 2013	JANGI/38/L/CL/1 3	December 31, 2015

Location	Issuing Authority	Date of issue	License No.	Valid up to
	Government of West Bengal			
Sagardighi	Assistant Labour Commissioner, Jangipur, Murshidabad	July 8, 2014	JANGI/42/L/CL/14	December 31, 2015
Sasan	The office of the Licensing Officer, Labour Office, district Singrauli, Madhya Pradesh	July 8, 2014	715/L/SGRL/2014	December 31, 2015
Sasan (AMC)	The office of the Assistant Labour Commissioner , Singrauli, Madhya Pradesh	February 13, 2014	679/L/SGRL/2014	December 31, 2015
Sasan(AMC)	The office of the Assistant Labour Commissioner , Singrauli, Madhya Pradesh	February 13, 2014	680/L/SGRL/2014	December 31, 2015
Sasan	Licensing Officer, Singrauli	December 1, 2011	435/L/SGRL/2011	December 31, 2015
Sikka(Boiler)	Deputy Labour Commissioner and Licensing Officer, Jamnagar.	January 30, 2012	09/012	December 22, 2015
Sikka (Steam turbine and turbo generator)	Assistant Labour Commissioner and Licensing Officer, Jamnagar	September 31, 2012	135/2012	December 23, 2015
RIL-Jamnagar (Fabrication and erection of structural steel, piping and equipment erection)	Assistant Labour Commissioner (Central) and Licensing Office, Rajkot	December 10, 2014	ALC/RJT/46/(311)/2014	December 9, 2015
Singareni (Boiler)	The office of the Asst. Labour Commissioner(Central), Mancherial	April 2, 2013	29/2013	April 2, 2016
Singareni (Civil Works)	The office of the Asst. Labour Commissioner, Karimnagar	January 1, 2013	05/2013	January 4, 2016
Singhitarai CHP works	Licensing Officer, Jangjir district, Champa	August 27, 2013	546/Contract Labour/J.C/2013	December 31, 2015
Singhitarai (TG works)	Licensing Officer, Jangjir district,Champa	May 17, 2013	511/Contract Labour/J.C/2013	December 31, 2015
Solapur	The office of the Regional Labour Commissioner (Central), Pune	August 5, 2013	RLCP-46(176)/2013-L	August 4, 2016
Solapur	The office of the Regional Labour Commissioner , Pune	October 14, 2013	RLCP-46(241)/2013-L	October 13, 2015
Suratgarh (Civil Works)	Licensing Officer Sriganganagar	February 4, 2014	277/2014	December 31, 2015
Suratgarh (Mechanical works)	Licensing Officer Sriganganagar	January 28, 2014	275/2014	December 31, 2015
Talwandi	The office of the Licensing Officer, Government of Punjab	July 28, 2011	L-25/2011	December 31, 2015
Tamnar (TG # 1)	The office of the Licensing Officer,	December 16,	1639/RGH/2013	December 31, 2015

Location	Issuing Authority	Date of issue	License No.	Valid up to
	Labour Office, Raigarh	2013		
Tiroda	The office of the Licensing Officer, Gondia, Government of Maharashtra	October 15, 2010	101/2010	December 31, 2015
Tuticorin	Regional Labour Commissioner (C) and Licensing Officer, Madurai	April 15, 2015	L.60/2013-A/M	April 14, 2016
Unchahar	The office of the Licensing Officer and Regional Labour Commissioner, Lucknow	December, 17, 2014	LKO.46(1-179)/2014	December 16, 2015
Unchahar	The office of the Licensing Officer and Regional Labour Commissioner, Lucknow	December, 17, 2014	LKO.46(1-180)/2014	December 16, 2015
Vishakhapatnam	The office of the Licensing Officer and Joint Commissioner, Vishakhapatnam	February 9, 2011	JCL/VSP/CL/6952 / 2011	December 31, 2015
Warora(AMC)	The office of the Licensing Officer, Chandrapur Government of Maharashtra	May 7, 2013	83/2013	December 31, 2015

3. Registration under the Building and other Construction Work (Regulation of Employment and Condition of Service) Act, 1996 – Our Company is registered under Building and other Construction Work (Regulation of Employment and Condition of Service) Act, 1996 at the following sites:

Location	Issuing Authority	Date of issue	License no.	Valid up to
Anuppur	The office of the Labour Officer, Anuppur	October 22, 2011	28/ANP/2011	October 22, 2015
Banaharpalli	Office of the Assistant Labour Commissioner, Jharsuguda	May 30, 2015	OR/B&OCW/JSG-578	May 5, 2018
Barh (ETC)	Office of the Deputy Chief Labour Commissioner (Central), Patna	August 5, 2014	BCWR/41/2014-ALC-1	December 31, 2015
Barh (STG)	Office of the Deputy Chief Labour Commissioner (Central), Patna	August 5, 2014	BCWR/40/2014-ALC-1	December 31, 2015
Chabra (ETC-Unit V and VI)	Government of Rajasthan, Labour Department, Office of the Registering Officer, Baran	May 11, 2015	02	April 30, 2016
Chabra (ESP)	The office of the Registering Officer, Baran	April 21, 2014	04	April, 2017
Chabra (Boiler)	The office of the Registering Officer, Baran	January 9, 2014	01/2014	October 31, 2016
Kalisindh	The office of the Registering Officer, Jhalawar, Government	April 26, 2011	9/2011	December 31, 2015

Location	Issuing Authority	Date of issue	License no.	Valid up to
	of Rajasthan			
Kudgi	Office of the Regional Labour Commissioner, Bellary	June 16, 2015	57(25)/2015-RLC/BLY-(R)	December 31, 2016
Kudgi	Office of the Regional Labour Commissioner, Bellary	June 16, 2015	57(26)/2015-RLC/BLY-(R)	June 30, 2016
Monarchak	Assitant Labour Commissioner (Central), Silchar	March 28, 2013	REG/BOCW/67/2013-S/A	October 14, 2015
Namrup	The office of the Registering Officer, Dibrugarh(Assam)	April 11, 2014	LAB/ABOWWS/19	-
Nabinagar	Registering Officer under BOCW (RE&CS Act, 1996) and Assistant Labour Commissioner (Central)	October 16, 2014	BCWR/44/2014 ALC-I	August 20, 2018
Navapara	The office of the Licensing Officer, Labour Office, Raigarh (Chattisgarh)	June 30, 2014	253/B.O.C/RGH/2014	December 31, 2015
Raichur	The Labour Department (Government of Karnataka)	August 24, 2012	LOR/BOCWA/ROB-01/2012	December 26, 2015
Raichur	The Labour Department (Government of Karnataka)	February 2, 2015	LOR/BOCWA/ROB-14/2014-15	December 31, 2017
Raichur	The Labour Department (Government of Karnataka)	February 2, 2015	LOR/BOCWA/ROB-15/2014-15	January 31, 2017
Sasan	The office of the Registration Officer, The Building and & other Construction Workers (Regulation of Employment & Condition of Service) Act 1996 & Labour Officer, District Singrauli, Madhya Pradesh	July 11, 2011	277/R/BOC/SGRL/2011	December 31, 2015
Sasan	The office of the Registration Officer, The Building and & other Construction Workers (Regulation of Employment & Condition of Service) Act 1996 & Labour Officer, District Singrauli, Madhya Pradesh	July 11, 2011	278/R/BOC/SGRL/2011	December 31, 2015
Sasan	The office of the Registration Officer, The Building and & other Construction Workers (Regulation of Employment & Condition of Service) Act 1996 & Labour Officer, District Singrauli, Madhya Pradesh	July 11, 2011	279/R/BOC/SGRL/2011	December 31, 2015
Sasan	The office of the	July 14, 2014	430/R/BOC/SGRL	June 13, 2016

Location	Issuing Authority	Date of issue	License no.	Valid up to
	Registration Officer, The Building and & other Construction Workers (Regulation of Employment & Condition of Service) Act, 1996 & Labour Officer, District Singrauli, Madhya Pradesh		/2014	
Singareni	Registering Officer under Building and Other Construction Workers (Regulation of Employment & Condition of Service) Act, 1996 and Assistant Labour Commissioner (Central) Mancherial at Ramagudam	December 5, 2014	57/17/2014-ALC/MCI	December 4, 2015
Singareni	Registering Officer under Building and Other Construction Workers (Regulation of Employment & Condition of Service) Act, 1996 and Assistant Labour Commissioner (Central) Mancherial at Ramagudam	December 5, 2014	57/18/2014-ALC/MCI	December 4, 2015
Singhitarai (CHP)	The office of the Registering Officer and Labour Officer, Jangjir	August 27, 2013	352/BCWA/JC/2013	August 27, 2015
Singhitarai (TG)	The office of the Registering Officer and Labour Officer, Jangjir	May 17, 2013	321/BCWA/JC/2013	December 31, 2015
Solapur	The office of the Regional Labour Commissioner (Central), Pune	August 5, 2013	RLCP-42(39)/2013-BOCW	February 8, 2016
Solapur	The office of the Regional Labour Commissioner (Central), Pune	October 14, 2013	RLCP-42(58)/2013-BOCW	June 28, 2016
Unchahar	The office of the Regional Labour Commissioner	December 17, 2014	LKO.43(R-28)/2014-RLC	March 24, 2017
Unchahar	The office of the Regional Labour Commissioner	December 17, 2014	LKO.43(R-29)/2014-RLC	May 29, 2016

4. Registration under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 - The office of the Regional Provident Fund Commissioner granted registration to Powermech Engineering Services for being engaged as “Engineers” under Schedule I/Classes of establishment in Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and allotted a code no. AP/HY/32845. The said registration was amended vide letter dated April 9, 2003 on account of change of status from Power Mech Engineering Services to Power Mech Projects Private Limited and vide letter dated September 2, 2011 on account of change of name from Power Mech Projects Private Limited to Power Mech Projects Limited.

5. Registration under the Employee State Insurance Act, 1948 – Power Mech Engineering Services has been registered as an establishment under the ESI Act-Registration of Employees and Establishments of the ESI Act, 1948 and has been allotted a code no. 52-16410-101. Furthermore, the office of Power Mech Projects Limited situated at #77, Jubilee Enclave, Opp. Hitex,

Hyderabad, Ranga Reddy, Telangana has been allotted a sub-code no. 52620163710010905.

6. The office of the Chief Inspector of Factories & Boilers, Factories and Boilers Inspection Department, Government of Rajasthan vide its letter dated December 18, 2013 enlisted our Company as an approved special class boiler repairer/erector in the State of Rajasthan under the purview of Regulation 392 of the Indian Boilers Regulations, 1950 for a period of two years from December 18, 2013 to December 17, 2015.

7. Registration under the Andhra Pradesh Shops and Establishment Act, 1988 - The Labour Department, Government of Telangana issued a Certificate of Registration bearing no. ACL00RRDSE4488/13482 dated October 18, 2014 valid with effect from June 1, 2014 upto December 31, 2014 which has been duly renewed on January 7, 2015 and is now valid till December 31, 2015.

8. Our Company has been registered as a contractor with the Irrigation and CAD Department, Government of Andhra Pradesh, Hyderabad. We have been registered under the "special class" category with a specialization in "civil". Our registration number is COT/AP/SP/41/2015 and is valid from February 28, 2015 to February 27, 2020.

Approval from RBI

Our Company has received an approval dated June 22, 2015 from RBI, Ref No. FE. CO. OID/19484/19.33.001(102)/2014-15 for remittance of HKD 5,000 towards acquisition of 50% of the total shares of Power Mech-CPNED Services (Hong Kong) Limited.

Intellectual property related approval(s)

Trademark registration – Our Company was granted a Certificate of Registration under Section 23(2), Rule 62(1) of the Trade Marks Act, 1999 bearing a Trade Mark no. 1881548 by the Trade Marks Registry, Government of India on November 9, 2009. The registration has been provided for the Power Mech logo.

International approvals

1. License issued by Abu Dhabi Chamber of Commerce & Industry - The Abu Dhabi Chamber of Commerce issued license no. CN-1489174 granting registration to Power Mech Projects Limited as a Foreign Branch Company to practise the activities of on-shore & off-shore oil and gas fields and facilities services, oil and gas field facilities building contracting, electrical contracting, all kinds of building projects contracting, mechanical contracting and oil and natural gas pipelines construction contracting.

2. Commercial License - The Abu Dhabi Business Center, Department of Economic Development issued a commercial license bearing no. CN-1489174 and a unified ID for ADCCI bearing no. 313716 to Power Mech Projects Limited on April 16, 2015 and expiring on April 15, 2016.

3. Registration Certificate – The Ministry of Economy Commercial Registration Department, United Arab Emirates issued a resgistration certificate for branch of foreign facility bearing number 4329 to our Company, valid up to March 25, 2015. The same has been renewed up til March 25, 2016 through a registration renewal certificate of branch of foreign facility dated April 8, 2015.

4. Letter of permission bearing no. 03.219.343.01.00.200.2015.02 issued by The Board of Investment of Bangladesh dated January 5, 2015 has permitted our Company to open a branch office in Dhaka for a period of 3 years with effect from January 1, 2015.

5. The Ministry of Economic Affairs, Regional Trade and Industry Office, Royal Government of Bhutan, Thimphu has issued a temporary contract license (RTIO/TCL (03)2014/2803) dated July 1, 2014 to our Company for carrying out the works of erection, testing and commissioning of Unit- 1, 3 and 5 along with material management for Punatsangchu- I Hydroelectic Project. The temporary contract license is valid upto June 15, 2016.

6. The Ministry of Finance, Department of Revenue and Customs, Regional Revenue and Customs Office, Thimphu has issued a CIT Registration Certificate dated July 3, 2014 certifying that our Company has registered with the Regional Revenue and Customs Office, Thimphu, Department of Revenue and Customs under tax payer number of TH/TR/63 and a TPN No. of Phpa/lo/tech/4/139.

7. The Ministry of Industry & Trade, General Directorate of Agency & Foreign Branches, Republic of Yemen issued a license renewal certificate valid up to May 15, 2016, granting permission to our Company's branch office to perform the functions of designing, construction and rebuilding the buildings, roads, sewerage, bridges, dams, ports, water and electricity and providing consulting services.

Pending approvals

1. Application dated January 20, 2012 has been made to the Trademarks Registry, Government of India for registration of the caption "Growth Unlimited" under the Trademarks Act, 1999 along with the trademark "Power Mech" logo owned by us.

2. Application dated November 11, 2014 has been made to the Commercial Taxes Department, Patna, Bihar for the registration under the Central Sales Tax Act, 1956 for the region of Patna Special Circle.

3. Application dated February 16, 2015 has been made to the Office of the Registration Officer/ Deputy labour Commissioner, BOCW Act, Mirzapur Region, Pipri, Sonbhadra, Uttar Pradesh for the renewal of license bearing number 522 issued under the Building and other Construction Work (Regulation of Employment and condition of Service) Act, 1996 for the site at Anpara - D.

4. Application dated December 20, 2014 has been made to the office of the Registration Officer/ Deputy Labour Commissioner, Mirzapur region, Sonbhadra for the renewal of license bearing number 278 issued under the Building and other Construction Work (Regulation of Employment and condition of Service) Act, 1996 for the site at Anpara – D.

5. Application dated April 8, 2015 has been made to the Assistant Labour Commissioner (Central), Madurai for the renewal of license bearing number 55(9)/2013-A/M/ISMW issued under the Inter State Migrant Workmen (Regulation of Employment and Condition of Service) Act, 1979 for the site at Tuticorin.

6. Application dated May 6, 2015 has been made to the Assistant Labour Commissioner (Central) and Licensing Officer, Bhubaneshwar for the renewal of license bearing number L/II/57/2013 issued under the Contract Labour (Regulation and Abolition) Act, 1970 for the site at Paradeep (ESP).

7. Application dated May 20, 2015 has been made to the Assistant Labour Commissioner (Central), West Bengal for the renewal of license bearing number 46(20)/2011/E-3 issued under the Contract Labour (Regulation and Abolition) Act, 1970 for the site at Raghunathpur.
8. An application dated June 30, 2015 has been made to the Assistant Comimissioner of Labour, Bharuch, for renewal of licence bearing no. AC2/BCH/CLA/106/04 under the Contract Labour (Regulation and Abolition) Act, 1970 for the site at Paguthan.

9. Form ODI dated July 2, 2015 has been filed with the RBI by our Company for approval of subscription to 51% of the total shares of MAS Power Mech Arabia, in accordance with FEMA Regulations.

10. An application has been made to the Excise and Taxation Department, Haryana, for registration under the Value Added Tax and Central Sales Tax Acts in the State of Haryana.

D. Material approvals taken by our Subsidiaries

I. Hydro Magus Private Limited

Incorporation details

Certificate of incorporation dated September 24, 2012 granted to Hydro Magus Private Limited.

Business approvals

(i) PAN Card - Hydro Magus Private Limited has been issued a permanent account no. AADCH0133R by the Income Tax Department, Government of India.

(ii) VAT registration - Hydro Magus Private Limited has been issued a TIN no. 09488823816C on January 28, 2013 by the Department of Commercial Taxes, Government of Uttar Pradesh under sub-rule (8) and (10) of rule-32 of the Uttar Pradesh Value Added Tax Rules, 2008 valid with effect from January 28, 2013.

(iii) Registration under the Central Sales Tax Act, 1956 – Hydro Magus Private Limited has obtained registration no. 09488823816C as a dealer under section 7(1) and 7(2) of the Central Sales Tax Act, 1956 for its place of business at 1607, Type E 7, block F, Jaipuria Sunrise Green Ahinsa Khand 2, Indirapuram, Ghaziabad, valid with effect from January 28, 2013.

(iv) Registration under the Central Sales Tax Act, 1956 the Jammu and Kashmir General Sales Tax Act, 1962 – Hydro Magus Private Limited has been issued a certificate of registration dated July 4, 2014 by the Assessing Authority, Commercial Taxes, Circle 'O', Jammu, for its registration as a dealer under section 7(2) of the Central Sales Tax Act, 1956 and a registration certificate dated June 25, 2014 issued by the Assessing Authority, Commercial Taxes, Circle 'O', Jammu for its registration as a dealer under section 6 of the Jammu and Kashmir General Sales Tax Act, 1962 for its place of business at 75 P, Sector 8, Lower Roop Nagar, Jammu, Jammu and Kashmir, 180 013. Hydro Magus Private Limited has been issued a tax identification no. of 01881183778.

(v) TAN registration – Hydro Magus Private Limited has been issued a TAN no. HYDH03469D by the Income Tax Department, Government of India.

(vi) Service tax registration - Hydro Magus Private Limited has been issued a service tax code (registration no.) AADCH0133RSD002 and is registered under the Finance Act, 1994 read with the Service Tax Rules, 1994.

(vii) Registration under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 - The Regional office of the Employees' Provident Fund Organisation, Andhra Pradesh, Barkatpura, Hyderabad allotted a separate code no. AP/HY/73744 to Hydro Magus Private Limited.

(viii) Micro, Small or Medium Enterprise registration – Hydro Magus Private Limited has been issued an Entrepreneurs Memorandum no. 090092310552 by the office of the General Manager, District Industries Center, Ghaziabad, Government of Uttar Pradesh.

International Approvals

Certificate of incorporation dated October 31, 2014 issued by Assistant Registrar, Ministry of Industry, Government of Nepal bearing registration no. 117130/070/071 for the branch office of Hydro Magus Private Limited in Nepal.

II. Power Mech Industri Private Limited

Incorporation Details

Certificate of incorporation dated April 3, 2014 certifying change in name from Paramount Furnishing Private Limited to Power Mech Industri Private Limited after Paramount Furnishing Private Limited duly passed the necessary resolution under section 21 of the Companies Act, 1956 and obtained the approval of the Central Government with respect to such change in name.

Business Approvals

(i) PAN Card – Power Mech Industri Private Limited has been issued a permanent account no. AADCP8306L by the Income Tax Department, Government of India.

(ii) TAN Registration – Power Mech Industri Private Limited has been issued a TAN no. HYDP09035F by the Income Tax Department, Government of India.

(iii) VAT Registration – Power Mech Industri Private Limited has been issued a TIN no. 09165721720 on April 7, 2015 by the Commercial Taxes Department, Uttar Pradesh.

III. MAS Power Mech Arabia

(i) Certificate of Company Registration dated February 23, 2015 issued by the Ministry of Commerce and Industry, Saudi Arabia, bearing no. 1010430705, valid up to March 27, 2077.

(ii) Service investment license dated November 15, 2014 issued by the Saudi Arabian General Authority to the investors of MAS Power Mech Arabia including our Company for an investment of 51.00%, valid up to October 9, 2017.

(iii) Certificate of Membership dated February 26, 2015 with unified membership no. 101000194997 issued by the Riyadh Chamber of Commerce, valid up to October 9, 2017.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors has approved the Issue pursuant to the resolution passed at their meeting held on June 26, 2014 and our Shareholders have approved the Issue pursuant to a resolution passed at the EGM held on October 16, 2014.

The Equity Shares being offered by the Selling Shareholders in the Issue, or the compulsorily convertible preference shares and/ or the compulsorily convertible debentures which were converted into such Equity Shares, as the case may be, being included in the Issue, have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Issue. The Selling Shareholders have also confirmed that they are the legal and beneficial owners of the Equity Shares being offered under the Offer for Sale. The Offer for Sale has been authorised by the Selling Shareholders as follows: (i) India Business Excellence Fund I has authorised offer of 1,689,300 Equity Shares in the Offer for Sale by way of the board resolution dated October 9, 2014; (ii) India Business Excellence Fund has authorised offer of 438,700 Equity Shares in the Offer for Sale by way of letter dated October 15, 2014 from MOPE Investment Advisors Private Limited, it's investment managers; (iii) P Srinivasa Rao has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014; and (iv) D Aakashnag, represented by his guardian, D.S. Rao, has authorised offer of 6,500 Equity Shares in the Offer for Sale by way of letter dated October 9, 2014.

Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated January 1, 2015 and December 4, 2014, respectively.

Further, the Board has taken on record the approval of the Offer for Sale by the Selling Shareholders pursuant to the resolution of the IPO Committee dated October 29, 2014. This Red Herring Prospectus has been approved pursuant to the resolution of the Board dated July 7, 2015 and IPO Committee dated July 29, 2015.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company and the Selling Shareholders have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoter, Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the entities that our Directors are associated with are engaged in securities market related business or are registered with SEBI.

Prohibition by RBI

Neither our Company, nor our Promoters, relatives of our Promoters, Directors, Group Companies, nor the Selling Shareholders have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as explained under the eligibility criteria calculated in accordance with the restated financial information prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations:

- Our Company has net tangible assets of at least ₹ 30.00 million in each of the preceding three full years (of 12 months each), of which not more than 50.00% are held in monetary assets;

- Our Company has a minimum average pre-tax operating profit of ₹ 150.00 million, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Issue and all previous issues made in the same financial years in terms of the issue size is not expected to exceed five times the pre-Issue net worth of our Company; and

- Our Company has not changed its name in the last one year.

The Company's pre-tax operating profit, net worth, net tangible assets and monetary assets derived from the restated consolidated financial statements and the restated standalone financial statements included in this Red Herring Prospectus as at, and for the financial years ended March 31, 2010, March 31, 2011, March 31, 2012, March 31, 2013 and March 31, 2014 are set forth below:

Consolidated:

(*₹ in million*)

Particulars	Fiscal year 2014	Fiscal year 2013	Fiscal year 2012	Fiscal year 2011	Fiscal year 2010
Pre-Tax Consolidated Operating Profit (1)	1225.32	886.10	871.76	620.70	362.24
Net Worth (2)	2848.57	2193.18	1694.35	1182.02	677.06
Net Tangible assets (3)	2814.39	2181.68	1694.09	1182.01	677.05
Monetary assets (4)	110.16	95.58	18.16	43.80	70.19
Monetary assets as a percentage of the net tangible assets (4/3)	3.91	4.38	1.07	3.71	10.37
Average pre-tax consolidated operating profit based on the three most profitable financial years (Fiscal 2011-12, Fiscal 2012-13 and Fiscal 2013-14) out of the immediately preceding five financial years is ₹ 994.39 mn.					

Standalone:

(*₹ in million*)

Particulars	Fiscal year 2014	Fiscal year 2013	Fiscal year 2012	Fiscal year 2011	Fiscal year 2010
Net Worth (1)	2847.49	2182.27	1693.72	1182.11	677.07
Net Tangible assets (2)	2834.44	2170.28	1693.46	1182.10	677.06
Monetary assets (3)	162.67	96.56	19.85	43.82	70.19
Monetary assets as a percentage of the net tangible assets (3/2)	5.74	4.45	1.17	3.71	10.37

Notes

- Pre-tax operating profits comprise of Profit before Other Income, Interest and Tax.

- 'Net worth' has been defined as the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve), Compulsorily convertible debentures and Preference shares as reduced by the aggregate of the miscellaneous expenditure (to the extent not adjusted or written-off) and the debit balance of the profit and loss account.

- 'Net tangible assets' means the sum of all net assets of the company excluding intangible assets (as defined in Accounting Standard-26 issued by Institute of Chartered Accountants of India) but including Capital work in progress for fixed assets, current assets (i.e Current and non current), loans and advances (i.e Short term and long term), investments and after deducting Current and non current liabilities (excl. compulsorily convertible debentures) and deferred tax liability.(Net of deferred tax asset)

- Monetary assets comprise of cash and bank balances (excl. deposits held with bank as margin money and earmarked dividend balances with bank) and current and non-current investments.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000, otherwise the entire application money will be refunded. In case of delay, if such money is not repaid within 12 Working Days of the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, whichever is earlier, then our Company and every officer of our Company and the Selling Shareholders, shall pay interest at the rate of 15.00% per annum for the delayed period.

This Issue is being made for at least 25.00% of the post-Issue capital, pursuant to Rule 19(2)(b)(i) of the SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein 50.00% of the Issue shall be available for allocation to QIBs on a proportionate basis. Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. For further details, see the section titled "*Issue Procedure*" on Page 477.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI ICDR Regulations:

(a) Our Company, the Selling Shareholders, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoters or persons in control are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

(b) Our Company has applied to the BSE and the NSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated January 1, 2015 and December 4, 2014, respectively. For the purposes of this Issue, the BSE shall be the Designated Stock Exchange;

(c) Our Company (along with the Registrar to the Issue) has entered into agreements dated September 4, 2014 and August 21, 2014 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares; and

(d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus.

We propose to meet our expenditure towards the objects of the Issue entirely out of the proceeds of the Issue, and hence, no amount is proposed to be raised through any other means of finance. Accordingly, Clause VII C (1) of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75.00% of the stated means of finance, excluding the amount to be raised through the proposed issue) does not apply. For further details in this regard, see the section titled "*Objects of the Issue*" on Page 102.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO 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 MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, IIFL HOLDINGS LIMITED[#] AND MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE

DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS REGARD AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED OCTOBER 30, 2014 WHICH READS AS FOLLOWS:

WE, BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**

    A. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("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 SECURITIES AND EXCHANGE BOARD OF INDIA, 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, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI (ICDR) REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID. – <u>NOTED FOR COMPLIANCE</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO**

FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI (ICDR) REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI (ICDR) REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT 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 SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

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 SECTION 73(3) 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 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. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE ISSUE HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ICDR) REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

A. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

B. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ICDR) REGULATIONS WHILE MAKING THE ISSUE. –NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ICDR) REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS**

[#] Pursuant to the transfer of Merchant Banker registration, issued under the SEBI (Merchant Bankers) Regulations, 1992, from India Infoline Limited, as approved by SEBI vide letter dated April 7, 2015, bearing No. MIRSD-3/MS/MB/9926/15,with continuance of registration.

Please note that India Business Excellence Fund, one of the Selling Shareholders in this Issue, along with Motilal Oswal Investment Advisors Private Limited is jointly controlled. Accordingly, in compliance with proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue.

The filing of the Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of the Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Issue. SEBI further reserves the right to take up at any point of time, with BRLMs, any irregularities or lapses in the Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs

Our Company, the Directors, the Selling Shareholders and BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our

Company's instance and anyone placing reliance on any other source of information, including our Company's website www.powermechprojects.in, would be doing so at his or her own risk.

BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with 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 authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to FIIs, Eligible NRIs and FPIs. This 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 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 Hyderabad 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 the Draft Red Herring Prospectus had been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold outside of the United States in

offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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

Bidders are advised to ensure that any 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.

Disclaimer Clause of BSE

"***BSE Limited ("the Exchange") has given vide its letter dated January 01, 2015 permission to this Company to use the name of the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-***

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of the NSE

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/6135 dated December 04, 2014 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

***Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.*"**

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at SEBI Southern Regional Office, Overseas Towers, 7^{th} floor, 756-L, Anna Salai, Chennai 600 002, Tamil Nadu, India.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC at Hyderabad and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the

Office of the Registrar of Companies, 2nd Floor, CPWD Building, Kendriya Sadan, Sultan Bazar, Koti, Hyderabad – 500195, Telangana, India.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholders will forthwith repay, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within 12 Working Days of the Bid/Issue Closing Date.

Price information of past issues handled by the BRLMs

1. Kotak Mahindra Capital Company Limited ("Kotak")

(i) Price information of past issues handled by Kotak:

Sr. No.	Issue name	Issue size (₹ mm)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Manpasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	327.75	2.42%	8,328.55	338.90	8,609.85	373.05	8,375.05	N.A.	N.A.
2.	Adlabs Entertainment Limited(1)	3,745.94	180.00	April 6, 2015	162.20	192.65	7.03%	8,659.90	175.90	8,750.20	135.70	8,213.80	146.95	8,324.80
3.	Ortel Communications Limited	1,736.49	181.00	March 19, 2015	160.05	162.25	-10.36%	8,634.65	147.50	8,492.30	156.00	8,660.30	174.35	8,606.00

Source: www.nseindia.com

(1) In Adlabs Entertainment Limited the issue price to retail individual investor was ₹168 per equity share after a discount of ₹12 per equity share. The Anchor Investor Issue price was ₹221 per equity share.

(ii) Summary statement of price information of past issues handled by Kotak:

Financial year	Total no. of IPOs	Total funds raised (₹mm)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
April 1, 2015 – July 29, 2015	2	7,745.94	-	-	-	-	-	2	-	-	1	-	-	-
FY 14-15	1	1,736.49	-	-	1	-	-	-	-	-	1	-	-	-
FY 13-14	-	-	-	-	-	-	-	-	-	-	-	-	-	-

***Note:** In the event any day falls on a holiday, the price/index of the immediately succeeding working day has been considered.*

2. **IIFL Holdings Limited ("IIFL")**

(i) Price information of past issues handled by IIFL:

Sr. No.	Issue name	Issue size (₹ mm)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Manpasand Beverages Limited	4,000	320.00	July 9, 2015	300.00	327.75	2.42%	8328.55	338.90	8,609.85	373.05	8,375.05	N.A.	N.A.

Note: Benchmark Index taken as CNX NIFTY. Price date is from NSE. In case any of the days fall on a non-trading day, the closing price on the previous trading day has been taken.

(ii) Summary statement of price information of past issues handled by IIFL:

Financial year	Total no. of IPOs	Total funds raised (₹mm)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
April 1, 2015 – July 29, 2015	1	4,000	Nil	Nil	Nil	Nil	Nil	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
FY 14-15	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
FY 13-14	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note: Data for # of IPOs trading at premium/discount taken as closing price on NSE on the respective date

3. **Motilal Oswal Investment Advisors Private Limited** ("**MOIAPL**")

(i) Price information of past issues handled by MOIAPL:

Sr. No.	Issue name	Issue size	Issue price (₹)	Listing date	Opening price on	Closing price on	% Change	Benchmark index on	Closing price as	Benchmark index as on	Closing price as	Benchmark index as on	Closing price as	Benchmark index as on

		(₹ million)			listing date (₹) (BSE Data)	listing date (₹)(BSE Data)	in price on listing date (closing) vs. issue price (BSE Data)	listing date (closing) (Sensex)	on 10th calendar day from listing day (₹)	10th calendar day from listing day (closing)	on 20th calendar day from listing day (₹)	20th calendar day from listing day (closing)	on 30th calendar day from listing day (₹)(1)	30th calendar day from listing day (closing) (1)
1.	Nil	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(ii) Summary statement of price information of past issues handled by MOIAPL:

Financial year	Total no. of IPOs	Total funds raised (₹mn)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
April 1, 2015 – July 29, 2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
FY 14-15	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
FY 13-14	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLMs as set forth in the table below:

S. No	Name of the BRLM	Website
1.	Kotak	http://investmentbank.kotak.com
2.	IIFL	www.iiflcap.com
3.	MOIAPL	www.motilaloswal.com

Consents

Consents in writing of: (a) the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, legal advisors, Banker/Lenders to our Company have been obtained and consents in writing of (b) the BRLMs, the Syndicate Members, the Escrow Collection Banks and the Registrar to the Issue to act in their respective capacities, will be obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act. Further, such consents have not been withdrawn up to the time of filing of this Red Herring Prospectus with SEBI.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, our Statutory Auditors, M/s Brahmayya & Co., Chartered Accountants, have given their written consent for inclusion of their reports dated July 7, 2015 on the restated financial statements of our Company and the statement of tax benefits dated July 16, 2015 in the form and context, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus for filing with SEBI.

Expert to the Issue

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

Our Company has received written consent from the Statutory Auditors namely, M/s Brahmayya & Co., Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report dated July 7, 2015 on the restated financial statements of our Company and the statement of tax benefits dated July 16, 2015, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus.

Issue Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commissions, brokerage, printing and distribution expenses, commission payable to Registered Broker, SCSBs' fees, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Issue expenses, see the section titled "*Objects of the Issue*" on Page 105.

The Issue expenses as mentioned above will be shared between our Company and the Selling Shareholders in proportion of the Equity Shares offered in the Issue.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the engagement letter entered into between our Company, the Selling Shareholders and the Book Running Lead Managers.

Commission payable to the Registered Brokers

₹ 15 per application on every valid application processed (exclusive of service taxes). The total commission to be paid to the Registered Brokers for the Bid cum Application Forms procured by them, which are considered eligible for allotment in the Issue, shall be capped at ₹ 0.50 million. In case the total commission payable to the Registered Brokers exceeds the maximum brokerage, then the amount paid to the Registered Brokers would be proportionately adjusted such that the total commission payable to them does not exceed the maximum brokerage. The quantum of commission payable to Registered Brokers is determined on the basis of Bid cum Application Forms. The terminal from which the Bid has been uploaded will be taken into account in order to determine the commission payable to the relevant Registered Broker.

ASBA Bank Processing Charges

SCSBs will be entitled to a processing fee of ₹ 15 per Bid cum Application Form (exclusive of service taxes) for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs for blocking the funds.

Fees Payable to the Registrar to the Issue

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated October 17, 2014 entered into, between our Company, the Selling Shareholders and the Registrar to the Issue.

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 it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting. The Selling Shareholders will reimburse our Company a part of the expenses incurred proportionately.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed in the section titled "*Capital Structure*" on Page 86, our Company has not issued any securities for consideration other than cash.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by our Company, listed Group Companies and associates of our Company

Except as disclosed in "*Capital Structure*" on Page 86, our Company has not made any capital issue of any kind or class of securities since its incorporation. None of the Group Companies are listed or have undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus. Our Company does not have any associate companies.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company

Our Company has not undertaken any previous public or rights issue. None of the Group Companies are listed or have undertaken a public or rights issue in the last ten years preceding the date of this Red Herring Prospectus. Our Company does not have any associate companies.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue, Selling Shareholders and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of despatch of the letters of allotment, demat credit and refund orders 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 Registrar to the Issue with a copy to the relevant SCSB and the Syndicate Members at the Specified Locations with whom the Bid cum Application Form was submitted. In addition to the information indicated above, the ASBA Bidder should also specify the Designated Branch or the collection centre of the SCSB or the address of the centre of the Syndicate Member at the Specified Locations where the Bid cum Application Form was submitted by the ASBA Bidder.

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be ten (10) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee comprising G.D.V. Prasada Rao, S. Lakshmi and M. L. Sah as members. For details, see the section titled "*Our Management*" on Page 176.

Our Company has also appointed Mohit Gurjar, Company Secretary of our Company as the Compliance Officer for the Issue and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Plot No. 77, Jubilee Enclave,
Opposite Hitex, Madhapur,
Hyderabad, 500 081
Telangana, India
Tel: +91 40 3044 4418;
Fax: +91 40 3044 4400
Email: compliance@powermech.net

Changes in Auditors during the last three years

There have been no changes in the auditors of our Company during the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in the section titled "*Capital Structure*" on Page 90.

Revaluation of Assets

Our Company has not re-valued its assets since its incorporation.

SECTION VII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, the Memorandum and Articles of Association, the terms of this Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government, Stock Exchanges, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable, or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act and Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company 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 in accordance with the provisions of the Companies Act and the Articles. For further details, see the section titled "*Main Provisions of the Articles of Association*" on Page 527. In relation to the Offer for Sale, the dividend for the entire year shall be payable to the transferees.

Mode of Payment of Dividend

Our Company shall pay dividends to its shareholders in accordance with the provisions of the Companies Act, Memorandum and Articles of Association and provisions of the Listing Agreement. For further details in relation to dividends, see the sections titled "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on Pages 197 and 527 respectively.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Allocation Price is ₹ [●] 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 will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and published by our Company at least five Working Days prior to the Bid/Issue Opening Date, in multiple editions of *Financial Express,* multiple editions of *Jansatta* and Hyderabad edition of *Prajashakti* (which are widely circulated English, Hindi and Telugu newspapers, Telugu being the regional language of Telangana where our Registered Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites.

Compliance with regulations issued by SEBI

Our Company shall comply with all disclosure and accounting norms as specified by 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 dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including RBI rules and regulations; and

- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Agreements, and our Company's Memorandum and Articles.

For a detailed description of the main provisions of the Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, see the section titled "*Main Provisions of the Articles of Association*" on Page 527.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated September 4, 2014 among NSDL, our Company and the Registrar to the Issue;
- Agreement dated August 21, 2014 among CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to our Articles, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Hyderabad.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale 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 our Registered Office or to the Registrar to the Issue.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(i) to register himself or herself as the holder of the Equity Shares; or
(ii) 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 ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Period of operation of subscription list

See the sub-section titled "*Issue Structure – Bid/ Issue Programme*" on Page 475.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Fresh Issue, including through devolvement to the Underwriters, as applicable, our Company shall forthwith refund the entire subscription amount received no later than 15 days from the Bid/Issue Closing Date, failing which, the directors of our Company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of 15.00% per annum. Further, in terms of Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000. In terms of Rule 19(2)(b)(i) of the SCRR, this Issue is being made for at least 25.00% of the post Issue paid-up Equity Share capital of our Company.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

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.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays, etc., for the Equity Shares being offered in the Issue, will be reimbursed by the Selling Shareholders to our Company, in proportion of the Equity Shares being offered for sale by the Selling Shareholders in the Issue.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer and transmission of the Equity Shares

Except for lock-in of the pre-Issue Equity Shares, Promoter's minimum contribution and Anchor Investor lock-in in the Issue as detailed in the section titled "*Capital Structure*" on Page 93, and except as provided in the Articles of Association, there are no restrictions on transfers of the Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting, except as provided in the Articles of Association. For details, see the section titled "*Main Provisions of the Articles of Association*" on Page 527.

ISSUE STRUCTURE

Issue of 4,269,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million. The Issue consists of a Fresh Issue of 2,128,000 Equity Shares aggregating up to ₹ [●] million and an Offer for Sale of up to 2,141,000 Equity Shares by the Selling Shareholders aggregating up to ₹ [●] million, respectively. The Issue will constitute 29.02% of the post-Issue paid-up equity share capital of our Company.

The Issue is being made through the Book Building Process.

	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation[2]	2,134,500 Equity Shares	Not less than 640,350 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 1,494,150 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue Size available for Allotment/allocation	50.00% of the Issue size being available for allocation to QIBs. However, up to 5.00% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion	Not less than 15.00% of the Issue or the Issue less allocation to QIBs and Retail Individual Bidders	Not less than 35.00% of the Issue or Issue less allocation to QIBs and Non-Institutional Bidders
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (excluding the Anchor Investor Portion) (a) 42,690 Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and ; and (b) 811,110 Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above 1,280,700 Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For the method of proportionate Basis of Allotment to Retail Individual Bidders, see "*Illustration of Allotment to Retail Individual Bidders*"
Mode of Bidding	Through ASBA process only	Through ASBA process only	Both the ASBA process and the non-ASBA process are available to Retail Individual Investors
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Issue, subject to applicable limits to the Bidder	Such number of Equity Shares not exceeding the Issue, subject to applicable limits to the Bidder	Such number of Equity Shares, whereby the Bid Amount does not exceed ₹ 200,000 net of Retail Discount
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Allotment Lot	[●] Equity Shares and in multiples	[●] Equity Shares and in	[●] Equity Shares and in multiples

	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	of one Equity Share thereafter	multiples of one Equity Share thereafter	of one Equity Share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply[3]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹ 250.00 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies and trusts, Category III foreign portfolio investors registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be payable at the time of submission of Bid cum Application Form. (including for Anchor Investors[3])[4]	Full Bid Amount shall be payable at the time of submission of Bid cum Application Form[4]	Full Bid Amount shall be payable at the time of submission of Bid cum Application Form.[4][5]

(1) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. For details, see the section titled "Issue Procedure" on Page 477.

(2) Subject to valid Bids being received at or above the Issue Price. This Issue is being made for at least 25.00% of the fully diluted post-Issue capital, pursuant to Rule 19(2)(b)(i) of SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein 50.00% of the Issue shall be available for allocation to QIBs on a proportionate basis. Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the QIB Portion. Such number of Equity Shares representing 5.00% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, such that subject to availability of Equity Shares, each Retail Individual Bidder shall be allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

(3) Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, shall be paid within the two Working Days of the Bid/Issue Closing Date.

(4) In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.

(5) If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the BRLMs, their respective directors, officers, agents and representatives that they are eligible under applicable laws, rules and regulations, guidelines and approvals to acquire the Equity Shares in the Issue. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-

Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

Withdrawal of the Issue

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before Allotment of Equity Shares. If our Company and the Selling Shareholders withdraw the Issue, our Company will issue a public notice within two (2) days of such decision, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with the issue of our Company's Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the stock exchanges where the Equity Shares may be proposed to be listed.

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

Bid/Issue Programme

BID/ISSUE OPENS ON	**August 7, 2015***
BID/ISSUE CLOSES ON	**For QIB Bidders August 11, 2015**** **For Retail Individual Bidders and Non Institutional Bidders: August 11, 2015**

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

*** Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Closing Date	August 11, 2015
Finalisation of Basis of Allotment with the Designated Stock Exchange	August 21, 2015
Initiation of refunds	August 22, 2015
Credit of the Equity Shares to demat accounts of Allottees	August 24, 2015
Commencement of trading of the Equity Shares on the Stock Exchanges	August 26, 2015

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company and the Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend all reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each such Selling Shareholder in the Issue) at all the Stock Exchanges within 12 Working Days from the Bid/Issue Closing Date.

Except in relation to Anchor Investors, Bids and revision of Bids, shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Bid/Issue Period as mentioned above at the Bidding centres and designated branches of SCSBs as mentioned in the Bid cum Application Form. On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between **10.00 a.m. and 3.00 p.m.** (IST) and shall be uploaded until (i) **4.00 p.m.** (IST) in case of Bids by QIB Bidders and Non-Institutional Bidders, and (ii) until **5.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than **1.00 p.m.** (IST) on the Bid/ Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/ Issue 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 Allotment in the Issue. If such Bids are not uploaded, our Company, the Selling Shareholders and the Syndicate shall not be responsible. Bids will be accepted only on Working Days. None among our Company, the Selling Shareholders, or any member of Syndicate is liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise.

On Bid/ Issue Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by BRLMs to the Stock Exchanges within half an hour of such closure.

Our Company and the Selling Shareholders in consultation with BRLMs, reserve the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120.00% of the Floor Price and Floor Price shall not be less than the Face Value of the Equity Shares. The revision in Price Band shall not exceed 20.00% on the either side, i.e., the floor price can move up or down to the extent of 20.00% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Issue Period will be extended for at least three (3) additional Working Days after revision of the Price Band subject to the Bid/Issue Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs at the terminals of the other members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("**General Information Document**") included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Please note that QIBs (other than Anchor Investors) and Non-Institutional Investors can participate in the Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. However, there is a common Bid cum Application Form for ASBA Bidders (submitted to SCSBs or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centres) as well as for non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSBs.

ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI (www.sebi.gov.in) or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centres. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker. ASBA Bidders are advised not to submit Bid cum Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.

All Bidders are required to pay the full Bid Amount or, in case of ASBA Bids, ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

SEBI by its circular (CIR/CFD/DIL/1/2011) dated April 29, 2011 ("2011 Circular") has made it mandatory for QIBs (other than Anchor Investors) and Non Institutional Investors to make use of the facility of ASBA for making applications for public issues. Further, the 2011 Circular also provides a mechanism to enable the Syndicate and sub-Syndicate Members to procure Bid cum Application Forms submitted under the ASBA process from prospective Bidders. SEBI by its circular (CIR/CFD/14/2012) dated October 4, 2012 ("2012 Circular"), has introduced an additional mechanism for prospective Bidders to submit Bid cum Application Forms (ASBA and non-ASBA applications) using the stock broker network of Stock Exchanges, who may not be Syndicate Members in the Issue. Further, SEBI by its circular (CIR/CFD/DIL/ 4 /2013) dated January 23, 2013 ("2013 Circular"), in partial modification of the 2011 Circular, mandates that in order to facilitate Syndicate/sub-syndicate/ non-syndicate members to accept Bid-cum-Application Forms from prospective ASBA Bidders in the locations, all the SCSBs having a branch in the location of Broker Centres, notified in terms of the 2012 Circular are required to name at least one branch before March 1, 2013, where Syndicate/sub-syndicate/ nonsyndicate members can submit such Bid-cum-Application Forms.

PART A

BOOK BUILDING PROCEDURE

The Issue is being made through the Book Building Process wherein 50.00% of the Issue shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis of which one third will be reserved for domestic Mutual Funds only. Out of the QIB Portion (excluding the Anchor Investor Portion), 5.00% will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15.00% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue will be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

In case of QIBs (other than Anchor Investors) Bidding through the Syndicate ASBA, the Book Running Lead Managers and the members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form, provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Further, Bids from QIBs can also be rejected on technical grounds. In case of Non-Institutional Investors and Retail Individual Investors, our Company has a right to reject Bids based on technical grounds only. However, our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers reserve the right to reject any Bid received from Anchor Investors without assigning any reason.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders depository account, including DP ID, Client ID and PAN (other than Bids made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. On Allotment, the Equity Shares will be traded only on the dematerialized segment of the Stock Exchanges.

Bid cum Application Form

Please note that there is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Syndicate Members, the Registered Brokers, the SCSBs and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs, the NSE (www.nseindia.com) and the BSE (www.bseindia.com) and the terminals of the Registered Brokers. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLMs. QIBs (other than Anchor Investors) and Non-Institutional Investors shall mandatorily participate in the Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non-ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected. In relation to non-ASBA Bidders, the bank account details shall be available from the depository account on the basis of the DP ID, Client ID and PAN provided by the non-ASBA Bidders in their Bid cum Application Form. Bidders are requested to note that refunds through the modes mentioned in this section shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FPIs, FIIs or FVCIs, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Anchor Investors	White

**Excluding electronic Bid cum Application*

Who can Bid?

In addition to the category of Bidders set forth under *"Issue Procedure- Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue",* the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors category; and
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to subscribe to the Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any persons related to the BRLMs (other than the Mutual Funds sponsored by entities related to BRLMs) or our Promoters and our Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Please note that India Business Excellence Fund, one of the Selling Shareholders in this Issue, along with Motilal Oswal Investment Advisors Private Limited is jointly controlled. Accordingly, in compliance with proviso to regulation 21A (1) and explanation (iii) to regulation 21A (1) of the SEBI (Merchant Bankers) Regulations, 1992, Motilal Oswal Investment Advisors Private Limited would be involved only in the marketing of the Issue.

Bids by Mutual Funds

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% 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 10.00% of any company's paid-up share capital carrying voting rights.

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

NRI may obtain copies of Bid cum Application Form from the offices of the BRLMs, the Syndicate Members, the Registered Brokers and the SCSBs. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their non-resident external

("**NRE**") accounts or foreign currency non-resident ("**FCNR**") accounts, maintained with banks authorized by the RBI to deal in foreign exchange. Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder bidding on a repatriation basis will not be accepted out of non-resident ordinary ("**NRO**") accounts.

Non ASBA Bids by NRIs shall be submitted only in the locations specified in the Bid cum Application Form.

Bids by FPIs and FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any qualified foreign investors or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Offer.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid-cum-Application Form for Non-Residents (blue in colour). FPIs are required to Bid through the ASBA process to participate in the Issue.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations and SEBI FVCI Regulations, inter alia prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25.00% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25.00% of the corpus in one investee company. A category III AIF cannot invest more than 10.00% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

(i) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
(ii) the entire group of the investee company: the least of 10.00% of the respective fund in case of a life insurer or 10.00% of investment assets in case of a general insurer or reinsurer (25.00% in case of ULIPs); and
(iii) the industry sector in which the investee company operates: 10.00% of the insurer's total investment exposure to the industry sector (25.00% in case of ULIPs).

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the BRLMs and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
(b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
(c) With respect to Bids made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
(d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
(e) Our Company and the Selling Shareholders, 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, the Selling Shareholders and the BRLMs may deem fit.

Restriction on foreign ownership of Indian securities

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued Circular of 2015 (“Circular of 2015”), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on May 11, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular of 2015 will be valid until the DIPP issues an updated circular.

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 Regulations; (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/RBI.

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

General Instructions

***Do’s*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate (except in case of electronic forms) or with respect to ASBA Bidders, ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres;

6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the Selling Shareholders or the Registrar to the Issue;

7. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. QIBs (other than Anchor Investors) and the Non-Institutional Investors should submit their Bids through the ASBA process only;

9. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

10. Ensure that you request for and receive a TRS for all your Bid options;

11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);

12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;

13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;

14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;

15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

17. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

19. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

20. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

21. Ensure that the category and sub-category is indicated;

22. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;

23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

24. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;

25. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);

26. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and this Red Herring Prospectus;

27. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-

Intermediaries). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;

28. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

29. In relation to the ASBA Bids, ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and

30. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;

4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;

6. Do not submit the Bid cum Application Forms to the Escrow Collection Banks, our Company, the Selling Shareholders or the Registrar to the Issue;

7. Do not Bid on a Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

12. Do not submit the Bid cum Application Form if you are a Non-Resident, except for: (i) an FPI (investing under the foreign portfolio investment scheme in accordance with Schedule 2A of the FEMA Regulations); (ii) an FII (investing under the portfolio investment scheme in accordance with Schedule 2 of the FEMA Regulations); or (iii) an Eligible NRI investing on non-repatriation basis in accordance with Schedule 4 of the FEMA Regulations;

13. Do not submit the GIR number instead of the PAN;

14. Do not submit the Bids without the full Bid Amount;

15. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

16. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

17. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date for QIBs;

18. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;

19. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;

20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

21. Do not submit more than five Bid cum Application Forms per ASBA Account;

22. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres;

23. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/ list/5/33/0/0/Recognised-Intermediaries); and

24. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment instructions

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres three days of the week. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Issue Closing Date.

Payment into Escrow Account for non-ASBA Bidders

The payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Retail Individual Investors: “Escrow Account - Power Mech IPO - R”

(b) In case of Non-Resident Retail Individual Investors: “Escrow Account - Power Mech IPO - NR”

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: “Escrow Account - Power Mech IPO - Anchor Investor - R”

(b) In case of Non-Resident Anchor Investors: “Escrow Account - Power Mech IPO - Anchor Investor - NR”

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering this Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR

Regulations, in multiple editions of English national newspaper *Financial Express*, multiple editions of Hindi national newspaper *Jansatta*, and Hyderabad edition of *Prajashakti*, a Telugu newspaper, each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Allocation Price, Issue size, and underwriting arrangements and will be complete in all material respects.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if our Company or Selling Shareholders does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- That if the Company and/or the Selling Shareholders withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

- 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 12 Working Days of the Bid/Issue Closing Date;

- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- That the certificates of the securities/ refund orders to Eligible NRIs shall be dispatched within specified time;

- That no further Issue of Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.;

- That adequate arrangement shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment; and

- Our Company shall not have recourse to the proceeds of the Issue until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received.

UNDERTAKINGS BY THE SELLING SHAREHOLDERS

Each Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Issue, have been held by it for a continuous period of at least one year prior to the date of filing the Red Herring Prospectus with SEBI, are fully paid-up and are in physical form and shall be dematerialised prior to filing of this Red Herring Prospectus with the RoC and SEBI ;

- it is the legal and beneficial owner of, and has full title to, the Equity Shares being sold in the Issue,

- the Equity Shares being sold by it pursuant to the Issue are free and clear of any liens or encumbrances and shall be transferred to the eligible investors within the specified time under applicable law;

- it shall provide all reasonable cooperation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and Anchor Investor allocation note, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Issue;

- it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue;

- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Selling Shareholders, to the extent applicable;

- it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- it shall not have recourse to the proceeds of the Issue until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

- if the Selling Shareholders does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly. It shall extend all reasonable cooperation requested by our Company and the BRLMs in this regard;

- it shall not further transfer the Equity Shares during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Issue and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Issue;

- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Issue are available for transfer in the Issue within the time specified under the applicable; and

- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Issue.

Utilisation 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 40 of the Companies Act, 2013;

- details of all monies utilised 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 the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- details of all unutilised 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 unutilised monies have been invested;

- the utilisation of monies received under Promoter's contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- the details of all unutilised monies out of the funds received under Promoter's contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

The Selling Shareholders along with our Company declare 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 40 of the Companies Act, 2013.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 1956, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read this Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in this Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956, as amended or replaced by the Companies Act 2013, the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120.00% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

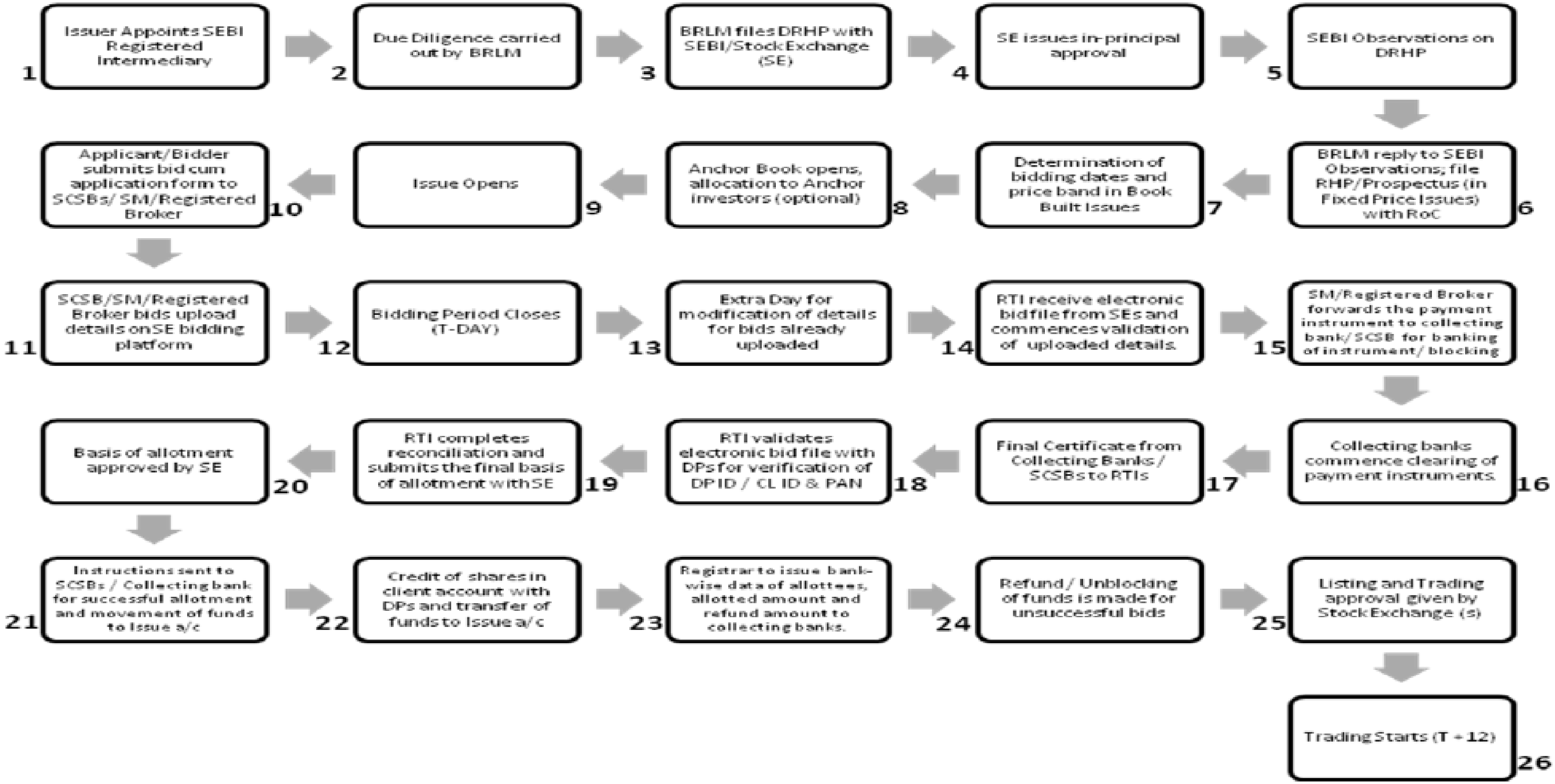
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. [Bidders/Applicants may note that this is not applicable for Fast Track FPOs.]:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  (i) Step 7 : Determination of Issue Date and Price
  (ii) Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.
  (iii) Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
  (iv) Step 12: Issue period closes
  (v) Step 15: Not Applicable


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchange (SE)
4 SE issues in-principal approval
5 SEBI Observations on DRHP
6 BRLM reply to SEBI Observations; file RHP/Prospectus (in Fixed Price Issues) with RoC
7 Determination of bidding dates and price band in Book Built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to SCSBs/ SM/Registered Broker
11 SCSB/SM/Registered Broker bids upload details on SE bidding platform
12 Bidding Period Closes (T-DAY)
13 Extra Day for modification of details for bids already uploaded
14 RTI receive electronic bid file from SEs and commences validation of uploaded details.
15 SM/Registered Broker forwards the payment instrument to collecting bank/SCSB for banking of instrument/ blocking
16 Collecting banks commence clearing of payment instruments.
17 Final Certificate from Collecting Banks / SCSBs to RTIs
18 RTI validates electronic bid file with DPs for verification of DP ID / CL ID & PAN
19 RTI completes reconciliation and submits the final basis of allotment with SE
20 Basis of allotment approved by SE
21 Instructions sent to SCSBs / Collecting bank for successful allotment and movement of funds to Issue a/c
22 Credit of shares in client account with DPs and transfer of funds to Issue a/c
23 Registrar to issue bank-wise data of allottees, allotted amount and refund amount to collecting banks.
24 Refund / Unblocking of funds is made for unsuccessful bids
25 Listing and Trading approval given by Stock Exchange (s)
26 Trading Starts (T + 12)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, qualified foreign investors and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- Qualified Foreign Investors subject to applicable law;
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- FPIs (other than Category III foreign portfolio investors) bidding in the QIBs category;
- Category III foreign portfolio investors bidding in the Non-Institutional Bidders category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category	[As specified by the Issuer]

Securities Issued in an IPO of Issue size equal to rupees ten crores or more can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - R

FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
IN

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S/AGENT'S STAMP & CODE
ESCROW BANK/SCSB BRANCH STAMP & CODE	SUB-BROKER'S/SUB-AGENT'S STAMP & CODE
BANK BRANCH SERIAL NO.	REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. Category

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. Investor Status

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VC
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (*Application by HUF would be treated on par with Individual*)

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

Amount Paid (₹ in figures) (₹ in words)

☐ (A) CHEQUE/ DEMAND DRAFT (DD)

Cheque/DD No. Dated D D M M Y Y

Drawn on (Bank Name & Branch)

☐ (B) ASBA

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filing up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT

Date : _______________, 2011

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA option ONLY)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

XYZ LIMITED

Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID

PAN

Amount Paid (₹ in figures) | Bank & Branch

Cheque / DD/ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

Stamp & Signature of Banker

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Syndicate Member / SCSB

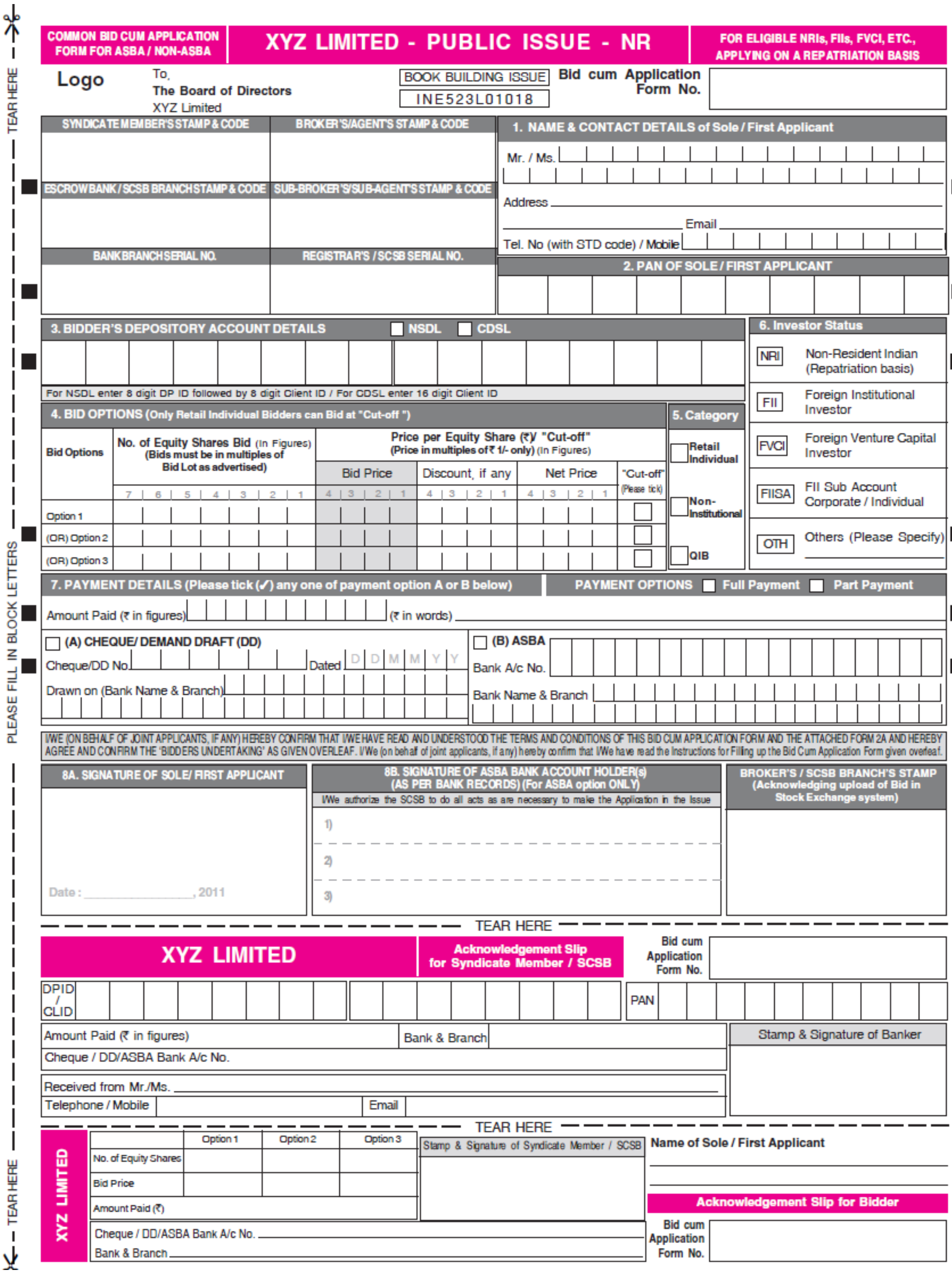
Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE



COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - NR

FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE

INE523L01018

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER'S/AGENT'S STAMP & CODE

ESCROW BANK / SCSB BRANCH STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO. | REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

6. Investor Status

NRI	Non-Resident Indian (Repatriation basis)
FII	Foreign Institutional Investor
FVCI	Foreign Venture Capital Investor
FIISA	FII Sub Account Corporate / Individual
OTH	Others (Please Specify)

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")

5. Category

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

☐ Retail Individual ☐ Non-Institutional ☐ QIB

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

Amount Paid (₹ in figures) (₹ in words)

☐ (A) CHEQUE/ DEMAND DRAFT (DD)

Cheque/DD No. Dated D D M M Y Y

Drawn on (Bank Name & Branch)

☐ (B) ASBA

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT

Date : _____________ , 2011

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA option ONLY)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

XYZ LIMITED

Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID

PAN

Amount Paid (₹ in figures)

Bank & Branch

Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT**

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the

Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**

Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who –

(i) ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or***

(ii) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

(iii) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***
shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act, 1956. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic

Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum

Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60.00% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

(i) Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

(ii) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(iii) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iv) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5 : CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) Upto 60.00% of the QIB Category can be allocated by the Issuer, on a discretionary basis [subject to the criteria of minimum and maximum number of anchor investors based on allocation size], to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(a) Certain categories of Bidders/Applicants, such as NRIs, FIIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(b) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(c) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.

(d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

(e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for non-ASBA Bidders:**

(a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.

(b) **For Bids made through a member of the Syndicate**: The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.

(c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.

(d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.

(e) 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. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

(f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.

(g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) ASBA Bidders may submit the Bid cum Application Form either

(i) in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or

(ii) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(iii) in physical mode to a member of the Syndicate at the Specified Locations or

(iv) Registered Brokers of the Stock Exchange

(b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) ASBA **Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.

(h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.

(b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

(c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:

(i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.

(ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

(iii) In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.

(iv) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker

(v) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.

(d) The following details (as applicable) should be quoted while making any queries –

(i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

(ii) name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted-

- In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof

- In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM FOR ASBA / NON-ASBA | **XYZ LIMITED - PUBLIC ISSUE - R** | **FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS**

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
INE523L01018

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER'S/AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO. | REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (as per last Bid or Revision)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2	OLD BID				☐
(OR) Option 3					☐

5. TO (Revised Bid)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2	REVISED BID				☐
(OR) Option 3					☐

6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

Additional Amount Paid (₹ in figures) (₹ in words)

☐ (A) CHEQUE/ DEMAND DRAFT (DD)
Cheque/DD No. Dated D D M M Y Y
Drawn on (Bank Name & Branch)

☐ (B) ASBA
Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid revision Form given overleaf.

7A. SIGNATURE OF SOLE/ JOINT APPLICANT(S)

Date : _______________, 2011

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (FOR ASBA OPTION ONLY)
I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue
1)
2)
3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

XYZ LIMITED BID REVISION FORM | Acknowledgement Slip for Syndicate Member / SCSB | Bid cum Application Form No.

DPID / CLID | PAN

Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

REVISED BID

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED BID REVISION FORM

	Option 1	Option 2	Option 3
No. of Equity Shares		REVISED BID	
Bid Price			
Additional Amount Paid (₹)			

Cheque / DD/ASBA Bank A/c No.
Bank & Branch

Acknowledgement of Sydicate Member / SCSB

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE — PLEASE FILL IN BLOCK LETTERS — TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.

(b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.

(e) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional

Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

   (i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

   (ii) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

(i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

(ii) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

(iii) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

(b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

(c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Instructions for non-ASBA Applicants:**

(a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).

(b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).

(c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.

(d) 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 Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

(e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.

(f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 **Payment instructions for ASBA Applicants**

(a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.

(b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other

SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Non-ASBA Application	1) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form 2) To Registered Brokers
ASBA Application	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres (b) To the Designated branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.

(b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.

(c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application

Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.

(b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.

(c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.

(d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to

(i) the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
(ii) the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
(iii) the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
(iv) With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs; and

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(l) Bids/Applications at Cut-off Price by NIIs and QIBs;

(m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(p) Bids/Applications for a Bid/Application Amount of more than ₹ 200,000 by RIIs by applying through non-ASBA process;

(q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;

(v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;

(w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);

(x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

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

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90.00% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5.00% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5.00% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5.00% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5.00% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95.00% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5.00% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the issuer subject to compliance with the following requirements:

  (i) not more than 60.00% of the QIB Portion will be allocated to Anchor Investors;

  (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

  (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2500 million subject to minimum allotment of ₹ 50 million per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 2500 million subject to minimum allotment of ₹ 50 million per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price**:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009. The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant’s depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90.00% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, within 60 days from the Bid/Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription amount received. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time, then the Issuer and every director of the Issuer who is an officer in default may be liable to repay the money, with interest at the rate of 15.00% per annum.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75.00% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.

(b) **In case of Non-ASBA Bid/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.

(c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

(d) In the case of Bids from Eligible NRIs and FIIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. 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 may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

(a) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **Direct Credit**—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(d) **RTGS**—Bidders/Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

(e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15.00% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15.00% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	A Bidder/Applicant to whom the Equity Shares are Allotted

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations
Anchor Investor Portion	Up to 60.00% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	A process of submitting the Bid cum Application Form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorising a SCSB to block the Bid Amount in the ASBA Account maintained with the SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and the Non-Institutional Bidders participating in the Issue
ASBA Account	An account maintained with the SCSB and specified in the Bid cum Application Form submitted by an ASBA Bidder for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective investors (except Anchor Investors) in this Issue who intend to submit Bid through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid /Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant

Term	Description
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Allocation Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional

Term	Description
	Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Allocation Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5.00% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, 1956 after the Pricing Date, containing the Issue Price ,the size of the

Term	Description
	Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Qualified Foreign Investors or QFIs	Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	This red herring prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member

Term	Description
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below:

The Articles of Association comprise of two parts. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable, however, Part II shall become inapplicable from listing of the Equity Shares of our Company on the Stock Exchanges subsequent to the Issue.

PART I of the Articles of Association

PREFERENCE SHARES

Article 6 provides

(a) **Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

ALTERATION OF SHARE CAPITAL

Article 10 provides

"Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

(a) increase its Share Capital by such amount as it thinks expedient;

(b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

(c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act."

REDUCTION OF SHARE CAPITAL

Article 11 provides that "the Company may, subject to the applicable provisions of the Act and the Companies

Act, 1956, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted."

POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Article 12 provides that "The Company may purchase its own Equity Shares or other Securities, as may be specified by the Act, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law."

POWER TO ISSUE SHARES WITH DIFFERENTIAL VOTING RIGHTS

Article 13 provides that "The Company shall have the power to issue shares with such differential rights as to dividend, voting or otherwise, subject to the compliance with requirements as provided for in the Companies (Issue of Share Capital with Differential Voting Rights) Rules, 2001, or any other law as may be applicable."

SHARES AT THE DISPOSAL OF THE DIRECTORS

Article 16 provides that

"(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:

   (i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding rupees two.

   (ii) Every Shareholder 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 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 15 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

(iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose."

CALLS

Article 18 provides that

(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Shareholders on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

(d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

(e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(f) If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

(g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

(h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Shareholders as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

(i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(l) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

COMPANY'S LIEN:

Article 19 provides that

"i. On shares:

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declares from time to time in respect of such shares.

(c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

(d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

(e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

ii. On Debentures:

(a) The Company shall have a first and paramount lien:

(i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

(ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.

(c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.

(d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

(e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien."

FORFEITURE OF SHARES

Article 20 provides that

"(a) If any Shareholder fails to pay any call or instalment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

(b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

(d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Shareholders, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

(f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

(g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

(h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

(i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Shareholders in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Shareholders in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

(k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit."

FURTHER ISSUE OF SHARE CAPITAL

Article 21 provides that

(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

  (i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

    a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

    b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause 1 above shall contain a statement of this right;

    c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the Shareholders and the Company;

  (ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

  (iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(b) The notice referred to in sub-clause i of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

(d) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Companies Act, 1956.

TRANSFER AND TRANSMISSION OF SHARES

Article 22 provides that -

(a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

(b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Shareholders in respect thereof.

(e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(f) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

(g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(i) In case of the death of any one or more Shareholders named in the Register of Shareholders as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

(j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

(r) There shall be a common form of transfer in accordance with the Act and Rules.

(s) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

DEMATERIALIZATION OF SECURITIES

Article 23 provides that

(a) De-materialization: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act .

(c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.

(d) If a Person opts to hold his Securities with a 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.

(e) Securities in Depositories to be in fungible form: All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 112 of the Act and Section 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) Rights of Depositories & Beneficial Owners:

(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 on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(h) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(i) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) Service of Documents: Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) Transfer of Securities:

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) Allotment of Securities dealt with in a Depository: Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(m) Certificate Number and other details of Securities in Depository: Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) Register and Index of Beneficial Owners: The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(o) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(p) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(q) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(r) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles."

NOMINATION BY SECURITIES HOLDERS

Article 24 provides that

"(a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014."

NOMINATION IN CERTAIN OTHER CASES

Article 25 provides "Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities."

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

Article 26 provides that "Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014."

BORROWING POWERS

Article 27 provides that

"(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

(i) accept or renew deposits from Shareholders;

(ii) borrow money by way of issuance of Debentures;

(iii) borrow money otherwise than on Debentures;

(iv) accept deposits from Shareholders either in advance of calls or otherwise; and

(v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

(b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture–stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

(c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

(g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

ANNUAL GENERAL MEETING

Article 30 provides that "In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be an Extraordinary General Meetings."

NOTICE OF GENERAL MEETINGS

Article 33 provides that

(a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(i) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
(ii) Auditor or Auditors of the Company, and
(iii) all Directors.

(b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

(g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

REQUISITION OF EXTRAORDINARY GENERAL MEETING

Article 34 provides that

(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

Article 35 provides that "The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called."

CHAIRMAN OF THE GENERAL MEETING

Article 36 provides that "The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director be present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant."

CHAIRMAN CAN ADJOURN THE GENERAL MEETING

Article 37 provides that "The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place."

QUESTIONS AT GENERAL MEETING HOW DECIDED

Article 38 provides that

"(a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

(b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

(c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

(d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.

(e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

(f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

(g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

(h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

PASSING RESOLUTIONS BY POSTAL BALLOT

Article 39 provides that

"(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time."

VOTES OF MEMBERS

Article 40 provides that

(a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

(b) No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

(c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

(d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

(e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

(f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Shareholders shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

(g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

(h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

(i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

(j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

(k) A Shareholder present by proxy shall be entitled to vote only on a poll.

(l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

(m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.

(n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

(o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their Pages consecutively numbered.

(ii) Each Page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings threat.

(v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(vii) Any such Minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -

a) the names of the Directors and Alternate Directors present at each General Meeting;

b) all Resolutions and proceedings of General Meeting.

(r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Section 164(1) of the Act in accordance with these Articles.

(s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

(u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

(w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the Listing Agreement or any other Law, if applicable to the Company.

DIRECTORS

Article 41 provides that "Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Agreement. The Board shall have an optimum combination of executive and Independent Directors with atleast 1 (one) woman Director, as may be prescribed by Law from time to time."

CHAIRMAN OF THE BOARD OF DIRECTORS

Article 42 provides that

“(a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

(b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.”

APPOINTMENT OF ALTERNATE DIRECTORS

Article 43provides that “Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) (subject to such person being acceptable to the Chairman) during the Original Director’s absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.”

CASUAL VACANCY AND ADDITIONAL DIRECTORS

Article 44 provides that “Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42**.** Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.”

DEBENTURE DIRECTORS

Article 45 provides that “If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.”

INDEPENDENT DIRECTORS

Article 46 provides that “The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause 49 of the Listing Agreement.”

EQUAL POWER TO DIRECTOR

Article 47 provides that “Except as otherwise provided in these Articles, or under the provisions of the Act, as applicable, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.”

NOMINEE DIRECTORS

Article 48 provides that "Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company."

NO QUALIFICATION SHARES FOR DIRECTORS

Article 49 provides that "A Director shall not be required to hold any qualification shares of the Company."

MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Article 57 provides that "Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act."

PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Article 58 provides that "Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director."

REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Article 59 provides that "The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act, the rules made thereunder and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act."

POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Article 60 provides that "Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers."

POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

Article 61 provides that **"**The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company;

and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Agreement.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;

(b) to borrow money; and

(c) any such other matter as may be prescribed under the Act, the Listing Agreement and other applicable provisions of Law."

POWERS OF THE BOARD

Article 67 provides that "Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves."

PASSING OF RESOLUTION BY CIRCULATION

Article 70 provides that "No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting."

REGISTER OF CHARGES

Article 72 provides that "The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified."

CHARGE OF UNCALLED CAPITAL

Article 73 provides that "Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed."

SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Article 74 provides that "Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge."

CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

Article 75 provides that "If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability."

DOCUMENTS AND NOTICES

Article 81 provides that

"(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

(c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Shareholders in respect of the Share.

(d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

(e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

(f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

(g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard."

SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Article 82 provides that "Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence."

SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

Article 83 provides that "If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears."

SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

Article 84 provides that "A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred."

PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Article 85 provides that "Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

(i) To the Shareholders of the Company as provided by these Articles.

(ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.

(iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company."

NOTICE BY ADVERTISEMENT

Article 86 "Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated."

DIVIDEND POLICY

Article 87 provides that

(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

(c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Actor out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -

I) if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and

II) if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Actor against both.

(ii) The declaration of the Board as to the amount of the net profits shall be conclusive.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

(e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

(f) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.

(iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Shareholders in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(l) No unpaid Dividend shall bear interest as against the Company.

(m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.

(n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act."

UNPAID OR UNCLAIMED DIVIDEND

Article 88 provides that

"(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend of POWER MECH PROJECTS LIMITED".

(b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund.

(c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law."

CAPITALIZATION OF PROFITS

Article 89 provides that "The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and

(b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

(c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

   (i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

   (ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

   (iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

(d) A share premium account may be applied as per Section 52 of the Act, 2013, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares."

RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

Article 90 provides that

"(a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.

(b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

   (i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

   (ii) generally do all acts and things required to give effect thereto.

(c) The Board shall have full power:

   (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and also
   (ii) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(d) Any agreement made under such authority shall be effective and binding on all such shareholders."

DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

Article 91 provides that

"(a) If the company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders."

INSPECTION BY SHAREHOLDERS

Article 94 provides that "the register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten per Page or such other limit as may be prescribed under the Act or other applicable provisions of law."

SECRECY

Article 95 provides that "no shareholder shall be entitled to inspect the company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the company to communicate to the public."

DUTIES OF OFFICERS TO OBSERVE SECRECY

Article 96 provides that "every Director, managing Directors, manager, Secretary, Auditor, Trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the company in the general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the central Government or any officer appointed by the government to require or to hold an investigation into the company's affairs."

Part II of the Articles of Association

Part II of these Articles includes the rights and obligations of the parties to the subscription and shareholders' agreement dated dated November 19, 2009 between our Company, India Business Excellence Fund I, IL&FS Trust Company Limited (acting as trustee of India Business Excellence Fund) (collectively, the "**Investors**"), S. Kishore Babu, S. Kishore Babu (HUF), S. Lakshmi, S. Rohit and S. Vignatha; as amended by first amendment agreement dated January 31, 2011; second amendment agreement dated May 6, 2013; and further amended vide third amendment agreement dated December 27, 2013.

In the event of any inconsistency between Part I and Part II of these Articles, the provisions of Part II shall prevail over Part I. However, Part II of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of listing of Equity Shares of the Company on a stock exchange in India, subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the Shareholders.

POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Article 12 provides that "The Company may purchase its own Equity Shares or other Securities, as may be specified by the Act, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law. Provided that in the event the IPO does not happen within (66) sixty six months from the Closing Date I, the Investors shall have the right to require that the Company to buy back the Investors Shares at a price arrived on the basis of the Base Valuation and such buyback shall be completed within (72) seventy two months from the Closing Date I. The Promoters shall not participate in such buyback offer by the Company".

COMPANY'S LIEN

Article 19 provides that-

i. On shares:

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declares from time to time in respect of such shares.

(c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

(d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

(e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

(f) Investors shall not be required to pledge the Investors Shares or to provide any other support to any third party or a negative lien, including but not limited to the lenders of the Company, nor shall the Investors be required to give any guarantees on behalf of the Company. Unless otherwise required by Law, the Shares held by the Investors shall not be subject to any lock in during/after the initial public offering.

(g) The Promoters shall not sell, encumber, pledge or create a lien on their Shares, or do any other act which has the effect of undermining their underlying their beneficiary/ fiduciary rights and responsibilities without the express written consent of Investors. However, such permission shall not be unreasonably withheld of such a lien is offered to financial institutions and/or banks for seeking funds for the Company's business

ii. On Debentures:

(a) The Company shall have a first and paramount lien:

(i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

(ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.

(c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the

Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.

(d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

(e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien."

FURTHER ISSUE OF SHARE CAPITAL

Article 21 states that-

(a) "Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause 1 above shall contain a statement of this right;

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the Shareholders and the Company;

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(c) The Company shall not make any fresh issue of capital on preferential basis, at terms more favourable than those offered to the Investors without the prior written consent of the Investors. If any fresh issue is made at terms more favourable than those made to the Investor:

(i) in case the terms favourable are with respect to the Conversion Price per Share, the Investors shall be suitably compensated by the Promoters in a manner that the entry valuation for the Investor becomes equal to the new valuation by using appropriate mechanism permitted within the regulatory framework, by way of issue or transfer of corresponding number of relevant Shares at no cost to or nominal consideration from the Investors; and

(ii) in case the terms favourable are with respect to rights granted to the prospective investor, the Investors shall be entitled to such favourable terms.

(d) If at any time, the Company desires to raise additional finances from other financial investors (**"Third party financial Investor"**) by way of issue of any equity/ equity linked instruments, the Company shall first be required to offer such investment opportunity to the Investors, which right may be exercised by the Investors directly or through its Affiliates, in accordance with the following:

(i) The Company shall issue a notice in writing to the Investors providing details of such offer and the terms thereof, including the number of shares, price per share, the investment amount and nature of investment.

(ii) Within 60 (sixty) days of receipt of the aforesaid notice, the Investors shall communicate their acceptance or rejection of the offer. If the Investors fail to notify such acceptance or rejection of the offer within the aforementioned period, then they shall be deemed to have rejected the offer.

(iii) In the event the Investors accept the offer, the transaction shall be completed within 30 (thirty) days.

(iv) In case of rejection of the offer by the Investors, the Company shall be free to raise such financing through any Third Party financial investor, provided that the offer to such Third Party financial investor shall not be on terms more favorable than those offered to the Investors.

(e) In case the Investor does not exercise the Option for any reason whatsoever, and a fresh investment is made in the Company by any third party investor ("**New Investor**"), then there shall be no dilution in the shareholding of the Investor, provided that such an investment by the New Investor does not exceed an amount of Rupees 150,000,000 (Rupees One Hundred and Fifty Million Only). In case of any such investment, the Investors shall be issued and allotted such number of fresh equity shares to ensure that the Investors' aggregate shareholding is not diluted upon a fresh investment being made by the New Investor.

(f) In case the investment by New Investor exceeds an amount of Rupees 150,000,000 (Rupees One Hundred and Fifty Million Only), then the Investor's shareholding in the Company shall stand diluted on a proportionate basis, only to the extent of amounts invested over and above Rupees 150,000,000 (Rupees One Hundred and Fifty Million Only) and the amounts over and above Rupees 150,000,000 (Rupees One Hundred and Fifty Million Only) shall be considered for computing the dilution of the Investor Shares (on a fully diluted basis).

(g) The Preference Shares for which the Investors exercise the right of conversion by a notice in writing to the Company, shall be converted into Equity Shares without any further act by or on behalf of the Investors on the relevant Conversion Date and the Company shall issue and allot following number of Equity Shares of the Company to the Investor , within 2 (two) days of the relevant Conversion Date, in order to acquire 16.30% stake in the Company by the Investor on a fully diluted basis:

(i) 1,314,498 Equity Shares to the Overseas Investor; and/or

(ii) 438,166 Equity Shares to the Indian Investor.

The Equity Shares to be allotted to the Investors pursuant to the conversion of the Preference Shares, shall rank pari passu in all respects and identical with the existing Equity Shares of the Company, with reference to all rights and benefits, including but not limited to voting rights, dividends, stock splits, bonus and/or rights issuance and all other provisions provided for in these Articles

(h) Debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Investors and the Company in shareholders meeting.

(i) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

(j) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Companies Act, 1956."

IPO

Article 22 states that-

(a) "The Company shall make best efforts to undertake an IPO and be listed for trading on Indian stock exchanges or stock exchanges in any Relevant Market as advised by a reputed merchant banker acceptable to the Investors and at such time and on such terms and conditions as may be approved by the Investors within a period not later than (66) sixty six months from the Closing Date I.

In such an event, subject to Investors affirmative rights as provided in these Articles, the Company, Investors and the Promoters agree to exercise their respective voting rights in the Company, and to cause the Board of Directors, to take all actions required for the Company to undertake and complete such IPO and be registered for trading as aforesaid, in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or the regulations or requirements applicable to issuing Shares to the Investors and listing the same in the Relevant Market. Upon the Company passing a resolution to undertake an IPO, all the Shareholders shall exercise their voting rights in the Company to ensure: (i) such amendments to the Articles as are required for the IPO and consequent listing; and (ii) the issuance of such number of Shares as are required to meet the minimum dilution requirements, if any, of the relevant stock exchange.

(b) The IPO may be by way of a fresh issue of equity Shares by the Company or offer for sale by the existing shareholders to the public. The Investors may, at their sole discretion, make an offer for sale of either part or entire Shares held by them, to the public, in which case the Promoter shall be bound to offer such number of Shares out of his shareholding or cause the issue of new shares by the Company so as to achieve the minimum number of shares that may be required for the successful IPO. The terms of any issue or offer shall be as approved by the Investors.

(c) The IPO may be by way of a fresh issue of equity Shares by the Company or offer for sale by the existing shareholders to the public. The Investors may, at their sole discretion, make an offer for sale of either part or entire Shares held by them, to the public, in which case the Promoter shall be bound to offer such number of Shares out of his shareholding or cause the issue of new shares by the Company so as to achieve the minimum number of shares that may be required for the successful IPO. The terms of any issue or offer shall be as approved by the Investors.

(d) The Company, Investors and the Promoters agree and acknowledge that an IPO shall be undertaken by the Company only in case the IPO valuation of the Company is equal to or more than the Target Valuation unless otherwise mutually agreed between the Company, Investors and the Promoters.

(e) In case, the Expected Cut Off Price does not meet the Target Valuation on the IPO Date, then at the option of the Investors, the Investors shall be suitably compensated either:

    (i) by the Promoters in a manner that the Expected Cut Off Price meets the Target Valuation by using appropriate mechanism permitted within the regulatory framework, whether by transfer of corresponding number of relevant Shares from the Promoters to the Investors at no cost to or nominal consideration from the Investors, or by way of suitable compensation in cash; or

    (ii) by the Company in a manner that the Expected Cut Off Price meets the Target Valuation by using appropriate mechanism permitted within the regulatory framework, by issuance of additional number of relevant Shares to the Investors at no cost or nominal consideration from the Investors.

(f) The Promoters and the Company shall obtain all relevant approvals, statutory or otherwise, that are required for the purposes of undertaking an IPO by the Company.

(g) The Company shall undertake to bear all the expenses relating to the listing of the Shares pursuant to an IPO.

(h) Subject to applicable Law, the Investors shall not be designated as a "promoter" nor shall any declaration or statement be made, either directly or indirectly, in filings with regulatory or Governmental authorities, offer documents or otherwise, with a view to ensure that restrictions under the Guidelines applicable to the Promoters do not apply to the Investor, who is and not a promoter of the Company.

(i) In case of an IPO, the Promoters shall maintain their shareholding in the Company as per SEBI/statutory requirements.

In the event the IPO does not happen within (66) sixty six months from the Closing Date I, the Investors shall have the right to propose to the Promoters that the Company be amalgamated pursuant to the provisions of the Act. Upon such a proposal being made by the Investors, the Company shall appoint a reputed firm of merchant bankers (acceptable to the Investor) to advise on such an amalgamation process, including the identity of the proposed transferee company, swap ratios etc., which shall be determined by the mutual agreement of the Company, Investors and the Promoters based on the advice of the merchant bankers."

TRANSFER AND TRANSMISSION OF SHARES

Article 23 states that-

(a) "The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

(b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(c) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act

(d) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(e) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Shareholders in respect thereof.

(f) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(g) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

(h) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(i) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(j) In case of the death of any one or more Shareholders named in the Register of Shareholders as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

(k) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(l) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(m) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(n) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(o) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(p) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(q) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(r) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

(s) <u>Investors' Shares freely transferable:</u> Subject to the Article (v), the Investor Shares shall be transferable by the Investor freely together with all rights attached thereto to any Third Party and would not be subject to any Liens.

(t) <u>Transfer to Affiliates:</u> The Promoters and Investors shall have the right to freely Transfer any Shares held by it to any of its Affiliates.

(u) <u>Investors' Right of First Refusal and Tag Along:</u> In case, at any time prior to the IPO Date, the Promoters ("**Selling Shareholder**"), wish to Transfer any right or interest in whole or part of the Shares held by it ("**Sale Shares**") to a Person (other than his Affiliates, or pursuant to ESOPs approved by the Board) ("**Third Party Purchaser**"), he shall be required to first offer the Sale Shares to the Investors ("**Other Shareholder**") in accordance with the following:

(i) The offer for the Transfer of any right or interest in the Sale Shares by the Selling Shareholder must be made at a given price ("**Sale Price**") and on given terms ("**Sale Terms**"). The Selling Shareholder shall intimate his willingness to sell the Sale Shares to the Other Shareholder in writing by sending a notice of offer ("**Notice of Offer**") containing all details, including the (i) Sale Price, (ii) the Sale Terms; (iii) number of Sale Shares proposed to be Transferred; (iv) identity and material particulars regarding the Third Party Purchaser.

(ii) Within 60 (sixty) days from the date of receipt of the Notice of Offer, the Other Shareholder shall exercise either of the following options:

a. Option 1 – Right to purchase the Sale Shares

(1) accept or reject the offer and shall (upon accepting the offer) within a further period of 30 (thirty) days complete the purchase of the Sale Shares, either itself or through its Affiliates. If the Other Shareholder fails to notify its acceptance or rejection of the offer within the aforementioned period of 30 (thirty) days, then it shall be deemed to have rejected the offer; and

(2) in case of rejection of the Notice of Offer, the Selling Shareholder may, Transfer any right or interest in the Sale Shares to the Third Party Purchaser, provided that such Transfer of any right or interest in the Sale Shares to any Third Party Purchaser shall not be made upon terms more favourable than the Sale Terms (which in any case shall not be more favorable than the terms and conditions of subscription to the Subscription Shares by the Investor) and unless the Third Party Purchaser has executed a Deed of Adherence agreeing to abide by the provisions of these Articles. The sale to the Third Party Purchaser shall be completed within a period of thirty (30) days, failing which the Selling Shareholder would have to follow the procedure prescribed above again.

b. Option 2 – Right to Tag Along

(1) have tag along rights upto the entire shareholding of the Investors, exercisable at its sole discretion, to participate in such Transfer to such Third Party Purchaser ("**Tag Along Rights**") and be entitled to exercise its Tag Along Rights and offer the Investor Shares held by the Investors in whole or in part ("**Tag Along Shares**");

(2) If the Tag Along Rights are exercised, the Transfer of the Sale Shares to the Third Party Purchaser shall be conditional upon such Third Party Purchaser acquiring the Tag Along Shares offered by the Investors in exercise of its Tag Along Rights on terms no less favourable than those offered by such Third Party Purchaser to the Promoter and the Investors/its Affiliates shall be paid the same price per Tag Along Shares and the sale shall be effected on the same terms and conditions as are received by the Promoters. The Promoters shall further provide a representation that no consideration, tangible or intangible, is being provided to the Selling Shareholder that will not be reflected in the price paid to the Investors on exercise of their Tag Along Rights.

(3) The Promoter shall not complete the sale of any of its Sale Shares unless the Third Party Purchaser has also purchased the Tag Along Shares;

(4) Further, at the time of exercise of such Tag Along Rights by the Investors, the Investors shall have the option of converting into Equity Shares any Preference Shares of the Company held by it and also tag along those Shares.

(5) In case of exercise of the Tag Along Rights, the Investors shall not be required to give any representations save and except as to their title to the Investor Shares.

c. In the event the Investors do not exercise its aforementioned right of first refusal or do not opt to exercise its Tag Along Rights, the Promoters shall be free to sell the Sale Shares to the Third Party Purchaser which shall be completed within a period of thirty (30) days, failing which the Selling Shareholder would have to follow the procedure prescribed above again.

(v) <u>Promoters' Right of First Offer for Investor Shares:</u> In case the Investors propose to Transfer, in whole or a part of the Investors Shares ("**First Offer Shares**") to any investor, the Investors shall be required to first offer the First Offer Shares to the Promoters in accordance with this Article:

(i) Upon the Investors making an offer to the Promoter and intimating his willingness to sell the First Offer Shares by a notice in writing ("**First Offer Notice**"), the Promoters shall make an offer to the Investors for the First Offer Shares, with a given price ("**First Offer Price**") within 7 (seven) days of the receipt of First Offer Notice.

(ii) If the Promoters fail to notify its First Offer within 7 (seven) days, then the Investors shall have the right to complete the Transfer of the First Offer Shares to any third party and the Promoters shall not have any further right of matching such price for the First Offer Shares.

(iii) On receipt of the First Offer Notice from the Promoters, the Investors may at their sole discretion:

a. accept the offer of the Promoters and agree to Transfer the First Offer Shares at the First Offer Price in accordance with sub-clause (iv) below; or

b. require the Promoters to make a revised offer within 7 (seven) days. In such event the Investors may accept the revised offer of the Promoters and Transfer the First Offer Shares as per sub-clause (iv) below, or reject the revised offer and procure a third party offer in accordance with (c) below; or

c. procure from a third party a price higher than the First Offer Price or the revised offer, as the case may be, and complete the Transfer of the First Offer Shares to such third party.

(iv) If the Investor accepts the First Offer Price or the revised offer of the Promoters as per B above:

a. the Investors shall intimate their acceptance by way of written notice to the Promoters ("Investor Acceptance Notice").

b. Within 45 (forty five) days of receipt of the Investor Acceptance Notice ("Promoter Sale Period"), the Promoters shall complete the sale and purchase of the First offer Shares in the following manner:

(1) within 7 (seven) days of receiving the Investor Acceptance Notice, the Promoters shall deposit at least 10% (ten percent) of the First Offer Price or revised offer price, as the case may be, in the bank account designated by the Investor ("**Promoter Deposit**").

(2) Prior to expiry of the Promoter Sale Period, the Promoters shall pay the balance First Offer Price or revised offer price, as the case may be, and complete the sale and purchase of the First Offer Shares.

c. If the Promoters fail to pay the Promoter Deposit, or fail to acquire the First Offer Shares within the Promoter Sale Period; the Investor shall be free to transfer the First Offer Shares to any Third Party and appropriate the Promoter Deposit.

(w) <u>Accelerated Put Option of Investors:</u> In the event the PAT derived from the Company's earnings for the period April 1, 2011 – March 31, 2012 falls by more than 30% of the projected PAT as per the Business Plan, then:

(i) Investors shall have the option, but not the obligation, to exercise a put option on the Promoters, in respect of the all or any of the Investors Shares ("**Accelerated Put Shares**") at the rate per Investor Shares which provides the Base Valuation ("**Accelerated Put Price**"). The Promoters shall be obliged and bound to purchase from the Investors, on a spot delivery basis, the Accelerated Put Shares at the Accelerated Put Price, for which the put option is exercised by the Investors. Such purchase by the Promoters of the Accelerated Put Shares at the Accelerated Put Price shall be completed on a spot delivery basis, within thirty (30) days of the receipt of all the requisite approvals from the statutory authorities.

(ii) Within thirty (30) days of the exercise of the put option under clause (i) above, the Investors shall simultaneously with the payment of the Accelerated Put Price, deliver or cause to be delivered to the Promoters, (i) the original share certificates pertaining to the Accelerated Put Shares, (ii) original share transfer form(s) duly executed, signed, sealed and validly executed by the Investors for the purpose of transfer of the Accelerated Put Shares by the Investors to the Promoters.

(x) Put Option: In the event the IPO does not happen within (66) sixty six months from the Closing Date I and the Investors not having exercised their rights under the Articles, then:

(i) The Investors shall have the option, but not the obligation, to exercise a put option on the Promoters, in respect of the all or any of the Investors Shares ("**Put Shares**") at the rate per Investor Shares, which provides a valuation that gives the Investors a minimum annualized IRR of 16.5% (including the dividend payments under Articles) on the entire investment made by the Investors in the Company from Closing Date I ("**Put Price**"). The Promoters shall be obliged and bound to purchase from the Investors, on a spot delivery basis, the Put Shares at the Put Price, for which the put option is exercised by the Investors. Such purchase by the Promoters of the Put Shares at the Put Price shall be completed on a spot delivery basis, within seven (7) days of the receipt of all the requisite approvals from the statutory authorities.

(ii) Within seven (7) days of the exercise of the put option under (1) above, the Investors shall simultaneously with the payment of the Put Price, deliver or cause to be delivered to the Promoters, (i) the original share certificates pertaining to the Put Shares, (ii) original share transfer form(s) duly executed, signed, sealed and validly executed by the Investors for the purpose of transfer of the put Shares by the Investors to the Promoters.

(y) Drag Along: In the event, the Company does not achieve the Base Valuation within a period of (78) seventy eight months from the Closing Date I and the Investors do not exercise their rights under the Articles or otherwise exit from the Company, the Investors shall have the right to transfer the Investors Shares to any Third Party willing to purchase the Investors Shares, at a price and on terms and conditions finalized by the Investors. The Promoters agree and undertake that such terms and conditions finalized by the Investors shall be binding upon the Promoters and the Company.

(i) The Investors shall have the right to offer upto the entire shareholding of the Promoters in the Company to such Third Party identified in (1) above on the same terms and conditions as finalized in respect of the Promoters Shares and receive the sale consideration in respect thereof. The Promoters agree and undertake to sell their Shares in the Company upon being called to do so by the Investors to such Third Party.

(ii) The sale consideration received by the Investors shall be utilized in the following order of priority:

a. to pay to the Investors, the Subscription Price;

b. thereafter to pay the amount equal to the book value (excluding revaluation reserves and the Subscription Price) as on the Closing Date I to the other Shareholders in the Equity Share capital of the Company (excluding any capitalization of reserves);

c. thereafter, the balance would be distributed to the Investors and the other shareholders in the ratio of the Subscription Price to the book value (excluding revaluation reserve and the Subscription Price) as on the Closing Date I. Provided that no amounts shall be paid to such other shareholders, who have sold their Equity Shares in the Company prior to the sale of the Investors Shares.

(z) There shall be a common form of transfer in accordance with the Act and Rules.

(aa) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company."

NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

Article 36 provides that "The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act provided that the Investor's representative shall be part of the quorum for all General Meetings. However, the investors may, at their sole discretion waive the requirement with regard to quorum in the General Meeting. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called provided that no decision shall be taken on any of the matters listed in Article 75 without the affirmative vote of the representative of the Investors."

DIRECTORS

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the listing agreement. The Board shall have an optimum combination of executive and Independent Directors with atleast 1 (one) woman Director, as may be prescribed by Law from time to time.

Initially, the Board shall comprise of 10 (ten) Directors to be nominated as follows:

Investor - 1 Non-executive Director

Promoters - 4 Executive Directors
1 Non-executive Director
4 Independent non-executive Directors (of which 1 Director to be recommended by Investors)

INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable , and the Investors shall have the right at all times to recommend for appointment one independent director, who would be an individual who is experienced and knowledgeable in the Power/infrastructure services sector and shall be mutually agreed between the Promoters and the Investors. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause 49 of the listing agreement.

AFFIRMATIVE VOTE RIGHTS OF THE INVESTORS

Article 75 provides that "Decisions on the matter listed hereunder, shall not be taken and/or implemented by the Company, (i) at the General Meetings without the affirmative vote of the representative of the Investors, or (ii) at its Board meetings, without the affirmative vote or prior written consent of the Investors' Director, or (iii) at any of its committee meetings without the consent of the Investors' Director.

(i) Approval of the annual budget of the Company;

(ii) Approval of annual accounts of the Company and subsidiaries (if any);

(iii) The Company's Business and Assets - Business restructuring, reorganisation and diversification, acquisitions, new investments, mergers, divestments, sale, transfer or amalgamation of the Company and its assets, issuance or sale of equity of subsidiaries or sale of assets However, the Investors' consent shall not be required for any such sale of assets involving an amount of less than ₹ 10,000,000 (Rupees Ten Million only) per annum in aggregate;

(iv) Capital Structure - Any change in the capital structure of the Company, such as issuance of new equity or equity-linked securities, either as a public offering or private sale or issue of shares including ESOP;

(v) Off-Balance Sheet Liability - Any significant change in the off-balance sheet liability structure of the Company such as leasing, encumbrances, transfer, pledge or creation of lien would require prior consent of the Investors, other than the activities in the normal course of business;

(vi) Appointment/removal of key management personnel over and above the designation of vice president in the Company shall be decided mutually between the Promoters and the Investors;

(vii) Appointment/change of internal/external auditors of the Company;

(viii) New Business initiatives - Any new line of business that the Company wishes to undertake which does not fall in the scope of the Business and the Business Plan submitted to the Investors;

(ix) Merger/amalgamation of the Company and creation of subsidiaries to the Company;

(x) Declaration of dividend to any class of Shareholders;

(xi) Deviations from Business Plan;

(xii) Material deviations from the agreed annual budget including, but not limited to:
  (a) Debt, guarantee or security with a deviation exceeding 10.00%;
  (b) Adverse deviations on any major heads of expenditure by more than 10.00%;
  (c) Any variation in the terms of existing contracts beyond 10.00%;
  (d) Any additional capital expenditure in excess of 10.00% of the budgeted Capital expenditure;

(xiii) Any act, which would materially impact the rights and interests of the Investors as contained in this Agreement;

(xiv) Related party transactions like transactions between the Company and the promoters/ Promoters Group Companies, directors or their affiliate/s organizations, firms, subsidiaries or other connected persons, entities;

(xv) Amendments to the Memorandum and/ or Articles of Association, adoption of Audited Accounts;

(xvi) Change in Accounting year, Accounting policies or the registered office of the Company;

(xvii) Change in name of the Company;

(xviii) All decisions with respect to listing of the Company on any recognized stock exchange in India or abroad;

(xix) Liquidation of the Company and/or subsidiaries;

(xx) Any strategic/financial/other alliance with a third party which result in investments by the Company or offer certain exclusive rights to partner;

(xxi) Any investment in securities for treasury operation, other than investments in AAA rated liquid debt funds in the normal course of business;

(xxii) Any appointment, renewal or change of statutory auditors of the Company;

(xxiii) Taking any debt or approval of terms and conditions of funding documents of more than Rupees 15,000,000 (Rupees Fifteen Million only) other than as provided in the annual budget, creation of liens, or any significant change in the liability structure (excluding working capital related items) of the Company including off-balance sheet items, such as leasing;

(xxiv) Approval of any transfer of shares;

(xxv) Appointment of Merchant Bankers for the IPO of the Company or merger with a listed company."

DISTRIBUTION OF DIVIDENDS

Article 93 provides that –

"(a) the 3.33% dividend coupon on the Preference Shares shall be cumulative and shall be payable:

(i) from the Closing Date I until the determination of the conversion price i.e. as on March 31, 2010 and March 31, 2011;

(ii) in respect of the entire Subscription Shares until March 31, 2010; and

(iii) in respect of the balance Subscription Shares (in respect of which the conversion price have not been determined on March 31, 2010) from April 1, 2010 to March 31, 2011; and

(iv) in respect of the Option Shares, from the Closing Date II until March 31, 2011.

(b) The Company shall, from the Closing Date I, distribute a minimum of 25.00% of the PAT, available for distribution as dividend, for every financial year (until the IPO or any other liquidity event for the Investors) in which the net operating cash flows of the Company, after deduction for the payment of interest, is equal to or higher than 50.00% of PAT for such financial year.

It is hereby clarified that payment of dividend to Investors under sub-clause (b) above shall be in addition to dividend payable to the Investors under sub-clause (a) above."

DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

Article 97 provides that-

(a) "If the company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

(c) In the event of any sale/lease of assets, liquidation, dissolution, sale/divestment in part or full or winding up of the Company, the sale consideration received or amounts realized pursuant to winding up and available for distribution, shall be utilized in the following order of priority:

(i) to pay to the Investors, the Subscription Price;

(ii) thereafter to pay the amount equal to the book value (excluding revaluation reserves and the Subscription Price) as on the Closing Date I to the other Shareholders in the Equity Share capital of the Company (excluding any capitalization of reserves);

(iii) thereafter, the balance would be distributed to the Investors and the other shareholders in the ratio of the Subscription Price to the book value (excluding revaluation reserve and the Subscription Price) as on the Closing Date I. Provided that no amounts shall be paid to such other shareholders, who have sold their Equity Shares in the Company prior to the sale of the Investors Shares."

PROVISIONS OF THE AGREEMENT

Article 103 provides that "The provisions of the Agreements shall be deemed to be incorporated in these Articles as if each provision thereof had been repeated verbatim herein.

In the event of a conflict or inconsistency between the Agreement and these Articles, the provisions of the Agreements shall apply, to the extent that such provision of the Agreements is legal, valid and enforceable under the laws of India. However, in such an eventuality, best endeavours shall be made to achieve harmonious construction, taking into account all relevant documents."

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Bid/Issue Opening Date until the Bid/Issue Closing Date.

1. Material Contracts for the Issue

(i) Offer Agreement dated October 20, 2014 between our Company, the Selling Shareholders and the BRLMs.

(ii) Agreement between our Company, the Selling Shareholders and the Registrar to the Issue dated October 17, 2014.

(iii) Escrow Agreement dated June 29, 2015 between our Company, the Selling Shareholders, the Registrar to the Issue, the BRLMs, the Syndicate Members, the Escrow Collection Banks and the Refund Bank.

(iv) Share Escrow Agreement dated June 13, 2015 between the Selling Shareholders, our Company and the Escrow Agent.

(v) Syndicate Agreement dated July 27, 2015 between our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Issue.

(vi) Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.

2. Material Documents

(i) Certified copies of the updated Memorandum and Articles of Association of our Company as amended from time to time.

(ii) Certificate of incorporation dated July 22, 1999.

(iii) Fresh certificate of incorporation dated October 16, 2007 pursuant to the conversion of our Company into a public limited company.

(iv) Fresh certificate of incorporation dated November 1, 2010 pursuant to the change of name of our Company from Power Mech-Projects Limited to Power Mech Projects Limited.

(v) Resolutions of the Board of Directors dated June 26, 2014 in relation to the Issue and other related matters.

(vi) Shareholders' resolution dated October 16, 2014 in relation to this Issue and other related matters.

(vii) Resolution dated October 9, 2014 passed by the board of directors of India Business Excellence Fund I approving the Offer of 1,689,300 Equity Shares.

(viii) Approval dated October 15, 2014 from India Business Excellence Fund approving the offer of 438,700 Equity Shares.

(ix) Letter dated October 9, 2014 from P Srinivasa Rao approving the offer of 6,500 Equity Shares.

(x) Letter dated October 9, 2014 from D. Aakashnag, represented by his guardian, D.S. Rao, approving the offer of 6,500 Equity Shares.

(xi) The examination reports of the Statutory Auditor, on our Company's restated financial statements, included in this Red Herring Prospectus.

(xii) The Statement of Tax Benefits dated July 16, 2015 from the Statutory Auditors.

(xiii) Consent of the Directors, the BRLMs, the Syndicate Members, Legal Counsel to our Company as to Indian Law, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to the BRLMs, Registrar to the Issue, Escrow Collection Banks, Bankers to the Issue, Bankers to our Company, Company Secretary and Compliance Officer as referred to in their specific capacities.

(xiv) Consent of the Statutory Auditor to include their names as experts in relation to their reports on the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements, dated July 16, 2015.

(xv) Due Diligence Certificate dated October 30, 2014 addressed to SEBI from the BRLMs.

(xvi) Subscription and Shareholders Agreement dated November 19, 2009 between our Company, India Business Excellence Fund I, IL&FS Trust Company Limited (acting as trustees of India Business Excellence Fund, S. Kishore Babu, S. Kishore Babu (HUF), S. Lakshmi, S. Rohit and S. Vignatha as amended on January 31, 2011, May 6, 2013, December 27, 2013 and letter of termination dated October 4, 2014.

(xvii) In principle listing approvals dated January 1, 2015 and December 4, 2014 issued by BSE and NSE respectively.

(xviii) Tripartite agreement dated September 4, 2014 between our Company, NSDL and the Registrar to the Issue.

(xix) Tripartite agreement dated August 21, 2014 between our Company, CDSL and the Registrar to the Issue.

(xx) Non-compete agreement dated October 17, 2014 between our Promoters, companies, partnership firm(s) and trust(s) forming part of our Promoter Group, and Group Companies.

(xxi) Copies of annual reports of our Company for Fiscal 2010, 2011, 2012, 2013 and 2014.

(xxii) Sanction letter dated November 13, 2014 issued by the State Bank of India.

(xxiii) Joint venture agreement dated December 1, 2014 entered into with Chengdu Pengrun New Energy Development Company Limited.

(xxiv) Certified true copy of the resolution of our Shareholders dated January 22, 2014 approving remuneration of S. Kishore Babu, our chairman and managing director.

(xxv) Certified true copy of the resolution of our Shareholders dated February 9, 2015 approving remuneration of M. Rajendran, our whole time director.

(xxvi) The following lease agreements entered into by our Company with:

a. S. Kishore Babu, dated January 1, 2014 for lease of the premises situated at D. No. 8-2-293/82/a/839-T1 and 8-2-293/82/a/839-T1/A, Road No. 44A, Jubilee Hills, GHMC, Hyderabad- 500 033, admeasuring 15,000 sq. feet, from January 1, 2014 to December 31, 2016.

b. S. Kishore Babu dated April 1, 2014 for lease of the premises situated at Flat no. 606, 6^{th} Floor, Express Towers, Kondapur, Opposite Botanical Gardens, Hyderabad, admeasuring 1,850 sq. feet, from April 1, 2014 to March 31, 2017.

c. S. Kishore Babu dated April 1, 2014 for lease of the premises situated at D. No. 8-181, Lakshmi Nilayam, Kanuru, Vijayawada, admeasuring 871.20 sq. feet, from April 1, 2014 to March 31, 2017.

d. S. Kishore Babu dated April 1, 2014 for lease of the premises situated at RCC shed at Mahadeva Puram Colony, Kanuru, Vijayawada, admeasuring 3,600 sq. feet from April 1, 2014 to March 31, 2017.

e. S. Lakshmi, dated April 1, 2014 for lease of the premises situated at A.C. Roof Shed at Plot No. 90-3, Tadepalli Post, behind Highway Towers, Guntur Dt. State, admeasuring 10,814 sq. feet from April 1, 2014 to March 31, 2017.

f. S. Lakshmi dated April 1, 2015 for lease of the premises situated at flat no. 202, second floor, Parijat Apartment, Vikas Nagar, near Sai Mandir, Wardha Road, Nagpur, Maharashtra, having plinth area of 1,192 sq. feet and car parking from April 1, 2015 to March 31, 2016.

g. S. Kishore Babu HUF dated September 1, 2014 for lease of the premises situated at flat no. C 401, C block, Jayabheri Orange County, Gachibowli, R.R. Dist., Telangana, having plinth area of 2,545 sq. feet and two car parkings from September 1, 2014 to August 31, 2017.

h. A license agreement dated November 24, 2009 with S. Rohit for exclusive right to develop the land situated and construction of building at H. No. 1-98/5/5/13, (Western Part), on Plot no. 77, in Sy. No. 66 and 67, Jubilee Enclave, Madhapur village, Serilingampally Mandal and Municipality, RR district, admeasuring 3,600 sq. feet.

(xxvii) The following loan documents:

a. Sanction letter dated June 26, 2012 issued by Citibank;

b. Goods security agreement dated November 19, 2012 between our Company and Citibank;

c. Sanction letter dated December 28, 2012 issued by Citibank;

d. Sanction letter dated August 13, 2013 issued by Citibank;

e. Sanction letter dated March 3, 2015 issued by Citibank;

f. Sanction letter dated August 28, 2013 issued by SBI;

g. Agreement of loan for overall limit dated August 30, 2013 between our Company and SBI;

h. Sanction letter dated November 13, 2014 issued by SBI;

i. Supplemental agreement of loan for increase in the overall limit dated November 15, 2014 between our Company and SBI;

j. Credit arrangement letters dated September 18, 2012, December 19, 2013 and January 9, 2015 issued by ICICI Bank;

k. Facility agreement dated October 3, 2012 between our Company and ICICI Bank;

l. Amendment to facility agreement dated February 12, 2015 between our Company and ICICI Bank;

m. Sanction letter dated June 17, 2010 issued by SCB;

n. Unattested memorandum of hypothecation dated July 26, 2010 between our Company and SCB;

o. Working capital demand loan agreement dated June 7, 2012 between our Company and SCB;

p. Sanction letter dated June 7, 2012 issued by SCB;

q. Sanction letter dated June 17, 2013 issued by SCB;

r. Sanction letter dated August 6, 2014 issued by SCB;

s. Working capital demand loan agreement dated August 11, 2014 between our Company and SCB;

t. Sanction letter dated May 25, 2011 issued by SCB;

u. Loan cum hypothecation agreement dated June 13, 2011 between our Company and SCB;

v. Sanction letter dated March 8, 2013 issued by SBH;

w. Sanction letter dated January 6, 2014 issued by SBH;

x. Agreement of loan for overall limit dated March 28, 2013 between our Company and SBH;

y. Sanction letter dated February 16, 2015 issued by SBH;

z. Supplemental agreement of loan for increase in the overall limit dated March 9, 2015 between our Company and SBH;

aa. Letter regarding the grant of individual limits within the overall limit dated March 9, 2015 between our Company and SBH;

bb. Sanction letter dated January 22, 2015 issued by RBL;

cc. Working capital agreement dated January 24, 2015 between our Company and RBL;and

dd. Addendum letter dated March 26, 2015 issued by RBL.

Any of the contracts or documents mentioned in this 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 hereby certify and declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

S. KISHORE BABU *Chairman and Managing Director*	**S. LAKSHMI** *Non-executive Director*
M. RAJENDRAN *Executive Director*	**T. SANKARALINGAM** *Non-executive independent Director*
AMITABHA GUHA *Non-executive independent Director*	**M. L. SAH** *Non-executive independent Director*
G.D.V. PRASADA RAO *Non-executive independent Director*	**RAKESH SONY** *Non- executive nominee Director*

Signed by the Chief Financial Officer	**Signed by the Compliance Officer and Company Secretary**
J. SATISH	**MOHIT GURJAR**

Date: July 29, 2015

Place: Hyderabad

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Selling Shareholder in this Red Herring Prospectus about or in relation to itself and the Equity Shares being offered and sold by it in the Offer for Sale are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Red Herring Prospectus.

Signed by the Selling Shareholder

For India Business Excellence Fund I

Date: July 29, 2015
Place: Mauritius

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Selling Shareholder in this Red Herring Prospectus about or in relation to itself and the Equity Shares being offered and sold by it in the Offer for Sale are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Red Herring Prospectus.

Signed by the Selling Shareholder

For IL&FS Trust Company Ltd
Trustees of Business Excellence Trust- India Business Excellence Fund

MOPE Investment Advisors Private Limited
Investment Manager
Authorised Signatory

Date: July 29, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Selling Shareholder in this Red Herring Prospectus about or in relation to itself and the Equity Shares being offered and sold by it in the Offer for Sale are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Red Herring Prospectus.

Signed by the Selling Shareholder

P. Srinivasa Rao, represented by Mohit Gurjar, authorised signatory, of Power Mech Projects Limited, holding power of attorney dated September 20, 2014.

Date: July 29, 2015
Place: Hyderabad

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Selling Shareholder in this Red Herring Prospectus about or in relation to itself and the Equity Shares being offered and sold by it in the Offer for Sale are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Red Herring Prospectus.

Signed by the Selling Shareholder

For D. Aakashnag (through his legal guardian, D.S. Rao), represented by Mohit Gurjar, authorised signatory, of Power Mech Projects Limited, holding power of attorney dated September 20, 2014.

Date: July 29, 2015
Place: Hyderabad