DRAFT RED HERRING PROSPECTUS
March 5, 2013
Please read section 60B of the Companies Act, 1956
(This Draft Red Herring Prospectus will be updated on filing with the RoC)
Book Building Issue

BSCPL INFRASTRUCTURE LIMITED

Our Company was reconstituted as a partnership firm under the name and style of B. Seenaiah & Co. pursuant to a partnership deed dated May 11, 1983. The partnership firm was subsequently converted under the Companies Act, 1956 into a public limited company under the name, B. Seenaiah & Company (Projects) Limited on March 31, 1998 and obtained the certificate of commencement of business on April 3, 1998. The name of the Company was changed to BSCPL Infrastructure Limited pursuant to a fresh certificate of incorporation dated July 14, 2008. For details of changes in our erstwhile partnership, the name and registered office of the Company, see section titled "***History and Certain Corporate Matters***" on page 183.

Registered and Corporate Office: M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India
Contact Person: B.S.Bhaskar, Company Secretary and Compliance Officer; **Tel**: (91 40) 2330 7704/ 2330 3663; **Fax**: (91 40) 2330 7385/2337 2054
E-mail: info@bscpl.net; **Website**: www.bscpl.net.

PROMOTERS OF THE COMPANY: BOLLINENI KRISHNAIAH, BOLLINENI SEENAIAH, BOLLINENI SUJATHA AND BOLLINENI YAMUNA

PUBLIC ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF BSCPL INFRASTRUCTURE LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ 6,500 MILLION (THE "ISSUE") CONSISTING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 3, 500 MILLION BY THE ISSUER ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES BY NEW VERNON PRIVATE EQUITY LIMITED, TATTERSALLS LIMITED, TIGER VEDA BHARAT, LB INDIA HOLDINGS MAURITIUS II LIMITED, AND L&T INFRASTRUCTURE FINANCE COMPANY LIMITED. (THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ 3,000 MILLION (THE "OFFER FOR SALE"). THE ISSUE SHALL CONSTITUTE [●] % OF THE FULLY DILUTED POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE 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 WILL BE DECIDED BY THE COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE. THE MINIMUM BID LOT SIZE WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after revision of the Price Band subject to the Bid/Issue Period not exceeding 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 National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**"), by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers ("**BRLMs**") and at the terminals of the Syndicate, SCSBs, Non Syndicate Registered Brokers.

This being an Issue for Equity Shares for at least 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the Securities Contracts Regulations Rules, 1957, as amended ("**SCRR**"). The Issue is being made pursuant to Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI Regulations**") through the Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that up to 30% of the QIB Portion may be available for allocation to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**") in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion 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% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders as per SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential investors, other than Anchor Investors, may participate in the Issue through an Application Supported by Blocked Amount ("**ASBA**") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") for the same. QIBs (except Anchor Investors) and Non-Institutional Bidders are mandatorily required to utilise the ASBA process to participate in this Issue. For details, see section titled "***Issue Procedure***" on page 377.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. The face value of the Equity Shares is ₹ 10 per Equity Share and the Floor Price is [●] times of the face value and the Cap Price is [●] times the face value. The Issue Price (as determined and justified by the Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process) and as stated in the section titled ***"Basis for Issue Price"*** on page 109, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer 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 this Draft Red Herring Prospectus. Specific attention of the investors is invited to section titled "***Risk Factors***" on page 22.

IPO GRADING

This Issue has been graded as [●] by [●] indicating [●].The IPO grading is assigned on a five point scale from one to five with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For details see section titled "***General Information***" on page 78.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

Each Selling Shareholder, having made reasonable enquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all statements in relation to such Selling Shareholder and the Equity Shares offered by it in the Offer for Sale, which are material in the context of the Offer for Sale and that all such statements are true and correct and in all material aspects, and are not misleading in any material respect.

LISTING

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

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
JM Financial Institutional Securities Private Limited 141, Maker Chambers III Nariman Point Mumbai 400 021 Maharashtra, India Tel: (91 22) 6630 3030 Fax: (91 22) 2204 7185 E-mail: bscpl.ipo@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact Person: Lakshmi Lakshmanan SEBI Registration No.: INM000010361	**Axis Capital Limited** 1st floor, Axis House , C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India Tel.: (91 22) 4325 2525 Fax: (91 22) 4325 3000 E-mail: bscpl.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Harish Lodha SEBI Registration No.: INM000012029	**Karvy Computershare Private Limited** Plot Nos. 17-24 Vittal Rao Nagar, Madhapur Hyderabad 500 081 Andhra Pradesh, India Tel: (91 40) 4465 5000 Fax: (91 40) 2343 1551 E-mail: bscplipo@karvy.com Website: https://karisma.karvy.com/ Contact Person: M. Murali Krishna SEBI Registration No: INR000000221

BID/ISSUE OPENS ON*: [●]

BID/ISSUE CLOSES ON:**
FOR QIB BIDDERS: [●]
FOR RETAIL AND NON-INSTITUTIONAL BIDDERS: [●]

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

** *The Company 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 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 Draft Red Herring Prospectus, and reference to any legislation, act, regulation or policy shall be to such legislation, act, regulation or policy as amended from time to time.

Term	Description
"Issuer", "the Company", or "BSCPL"	BSCPL Infrastructure Limited a company incorporated under the Companies Act, having its registered and corporate office at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India
"We", "us", "our"	Unless the context otherwise indicates or implies, refers to BSCPL Infrastructure Limited, its Subsidiaries, Joint Venture Companies and unincorporated joint venture arrangements on a consolidated basis

Company Related Terms

Term	Description
Afghan Building Construction Project	The contract for construction of the Afghan Parliament and Indian Chancery Buildings at Kabul, Afghanistan received from the Central Public Works Department, Government of India
Afghan Dome Project	The contract for construction of the main dome of the parliament buildingreceived from the Central Public Works Department, Government of India
Arena Apartments Project	The development of a multi-storied building on approximately 53,035.94 sq.ft. of land located at Dubai Sports City
Articles/ Articles of Association/ AoA	Articles of Association of the Company
Audit Committee	The audit committee of our Board was constituted and reconstituted by our Directors at Board meeting of the Board held on September 16, 2011 and July 4, 2012, respectively, comprising of P. Murali Krishna as chairman and Amitabha Guha, N. Sivaraman and Bollineni Seenaiah as its other members
Auditors	The joint statutory auditors of the Company namely S R B C & CO, Chartered Accountants and Anjaneyulu & Co, Chartered Accountants
Aurang Road Project	A project for four laning of Chattisgarh/Orissa border - Aurang section from kilometre 88.00 to 239.00 on NH-6 in the State of Chhattisgarh pursuant to a concession agreement entered into between BSCPL Aurang and NHAI
BIPL	BSCPL Infra Projects Limited
BNPL	BSC C&C (JV) Nepal Private Limited
Board/ Board of Directors/BoD	Board of Directors of the Company or duly constituted committee thereof
Bollineni Hillside Project	The development of an integrated township at Old Mahabalipuram Road, Chennai
BOT Projects	Built Operate and Transfer projects that we develop or have completed developing on a design, build, finance, operate and transfer basis
BOT Projects under Development	BOT Projects for which we have signed the concession agreement, achieved financial closure and preliminary construction work has commenced
BOT	Build Operate Transfer
BOOT	Build Own Operate Transfer
BSCPL Aurang	BSCPL Aurang Tollway Limited
C&C Constructions	C&C Constructions Limited
Chilkaluripet - Nellore Road Project	A project for six laning of Chilkaluripet - Nellore section of NH-5 from km 1,182.80 to km 1,366.55 in the State of Andhra Pradesh pursuant to a concession agreement entered into between Simhapuri Expressway Limited and NHAI

Term	Description
Completed BOT Projects	Our BOT Projects for which we have completed construction and have received provisional completion certificate or completion certificate namely: (i) Jaipur - Kishangarh Project and, (ii) Kurali - Kiratpur Project
Completed Projects	Construction contracts for which we have either received the completion certificate or raised the final invoice and received payment or a forwarding slip has been provided by the client
Completed Construction Contracts	The 308 Construction contracts for which we have either received the completion certificate or provisional certificate, or raised the final invoice and received payment, or a forwarding slip has been provided by the client
Completed Contracts	Completed Construction Contracts and Completed BOT Projects
Construction Business	EPC services on fixed-sum turnkey basis and item rate basis for various infrastructure projects including projects relating to roads, airport runways, railways, transmission lines, irrigation and building construction.
Contingent Liabilities	A contingent liability as defined under AS 29 – "Provisions, Contingent Liabilities and Contingent Assets" notified by the Companies Accounting Standard Rules, 2006 (as amended)
CR18G	China Railway 18th Bureau Group Co. Limited
Development Business	The development of road projects on BOT, DBOT and DBFOT basis which are operated upon completion during the concession period on toll or annuity basis by the concessionaire and subsequently transferred to the NHAI
Deveihalli – Hassan Project	The contract received from Larsen & Toubro for work on the Deveihalli - Hassan section from kilometer 110.00 to 189.50 of NH-48 including a new two lane with paved shoulders bypass for Channarayanapatna Town and widening of existing Hassan bypass to two lane with paved shoulders in the State of Karnataka
DBFOT	Design, build, finance, operate and transfer
Developable Area	Refers to the area to be developed in a property
DFCCIL	Dedicated Freight Corridor Corporation of India Limited, New Delhi
DFCCIL Project	Contract received from DFCCIL for the railway freight corridor project. The project involves designing, construction of formation including blanketing, major bridges, minor bridges, rail under bridges, rail over bridges, supply and spreading of ballast and other related infrastructural works for dedicated freight corridor from chainage 14.10 kilometer, near New Ganj Karwandiya to 119.43 kilometer near New Ganj Khawja on Mughalsarai – Sonenagar section of eastern corridor in the States of Bihar and Uttar Pradesh.
Directors	Directors on the Board of Directors of the Company comprising of Bollineni Krishnaiah, Bollineni Seenaiah, N. Sivaraman, Amitabha Guha, Ashoke Joshi, P. Murali Krishna and B. Kameswara Rao
Economic Interest	Refers to that part of the Saleable Area in which the company has an interest
EPC Contracts from BOT Projects	Our EPC contracts received from our BOT partners namely; 1. Chilkaluripet – Nellore Road Project from Simhapuri Expressway Limited 2. Chilkaluripet – Nellore Road Project by Simhapuri Expressway Limited from KMC Constructions Limited 3. Aurang Road Project 4. Godhra Road Project 5. Patna – Bakhtiyarpur Road Project 6. Muzaffarpur – Sonbarsa Road Project; and 7. Mokama Munger Road Project
EPC Contracts from Construction Projects	EPC Contracts received from our Construction Business namely; (i) Deveihalli – Hassan Project; (ii) DFCCIL Project; (iii) Pile Foundation Project – I, II and III; (iv) IRCON Project; (v) Meghalaya Road Project; (vi)Tarakarama Thirtha Sagaram Reservoir Project; (vii) GBR Complex Project; (viii) Somasila Swarnamukhi Link Canal Project; (ix)Veligonda Dam Project;(x) Afghan

Term	Description
	Building Construction Project (xi) Tadipatri Railway Project and (xii)Afghan Dome Project
Financial Closure	Date on which the financing documents providing for funding by the lenders have become effective and the concessionaire has immediate access to such funding under the financing documents.
Financial Closure Date	Date on which the financing documents providing for funding by the lenders have become effective and the concessionaire has immediate access to such funding under the financing documents
Financial Statements	Restated consolidated and unconsolidated summary financial statements of the Company in the section titled "***Financial Statements***" on page 240
GBR Complex Project	Contract received from the superintending Engineer, SRBC Circle, No. 2 Nandyal for the investigation, design and construction of head regulator and other allied works for head regulator, and excavation of Galeru Nagari Sujala Sravanthi flood flow canal from Gorakallu reservoir to OWK reservoir for the reach from kilometer 0.00 to 17.00 and construction of CM&CD works enroute in Kurnool District
Godhra Road Project	A project for four laning of Godhra to Gujarat/Madhya Pradesh Border section of NH-59 from km 129.30 to km 215.90 in the State of Gujarat pursuant to a concession agreement entered into between BSCPL Godhra Tollways Limited and NHAI
Group Companies	The companies, firms, ventures, etc. promoted by our Promoters, as described in the section titled "***Group Companies***" on page 224, irrespective of whether such entities are covered under section 370 (1B) of the Companies Act or not
Incorporated Joint Ventures /Joint Venture Companies	1. Mokama – Munger Highway Limited; 2. Patna Bakhtiyarpur Tollway Limited; 3. North Bihar Highway Limited; 4. Simhapuri Expressway Limited; and 5. BNPL
Investment Agreement	Investment Agreement dated November 10, 2007 entered into between the Company, the Promoters Bollineni Krishnaiah and Bollineni Seenaiah, Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited, Amansa Investments Ltd (formerly known as Amansa Fund LP), New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat
Investors	New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited and Amansa Investments Ltd (formerly known as Amansa Fund LP)
IPO Committee	The committee was constituted and reconstituted by our Directors at the meeting of the Board held on September 16, 2011, and February 28, 2013 respectively, comprising of Amitabha Guha as chairman and B. Kameswara Rao and N. Sivaraman as its other members.
Irrigation Contracts	1. Veligonda Dam Project; 2. Tarakarama Thirtha Sagaram Reservoir Project; 3. GBR Complex Project; and 4. Somasila Swarnamukhi Link Canal Project
IRCON Project	Contract received from IRCON International Limited for construction of road over bridge both railway span and adjacent approaches span including reinforced earth wall/retaining wall in lieu of LC -35 B at ilometre 552/11-13 between Section Phulwarisharif – Danapur, on EC Railway, Bihar.
Jaipur – Kishangarh Project	Contract received for the widening and rehabilitation of existing two lane to six lane divided carriageway from kilometre 273.500 to 363.885 of NH – 8 in

Term	Description
	the State of Rajasthan. Our interest in the project was transferred to GVK Infrastructure Holdings Private Limited in Fiscal 2007
Joint Venture(s)	Shall include the Incorporated and Unincorporated Joint Ventures of the Company
JV SPV	Joint Venture SPV's formed for the purpose of execution of our BOT Projects, namely: 1. Simhapuri Expressway Limited; 2. Patna Bakhtiyarpur Tollway Limited 3. North Bihar Highway Limited; and 4. Mokama – Munger Highway Limited
Key Managerial Personnel	The officers vested with executive powers and the officers at the level immediately below the Board of Directors and other persons whom our Company has declared as a key managerial personnel, and as enumerated in the section titled "***Our Management***" on page 206
KGLC	M/s K.G. Laxmipathy and Company
Kurali –Kiratpur Project	A project for four laning of Kurali-Kiratpur section from kilometer 28.60 to 73.20 of NH – 21 in the State of Punjab.
Land Reserves	Land to which the Company has title in India and outside India, in relation to its real estate development business, see "***Our Land Reserves***".
Meghalaya Road Project	Contract received from the Chief Engineer, Government of Meghalaya for the two laning of Nongstoin – Shillong section of NH 44, Nongstoin – Rongjeng – Tura Road, in the State of Meghalaya.
Memorandum/ Memorandum of Association/MoA	Memorandum of Association of the Company
Mokama Munger Road Project	A project for two laning with paved shoulders of Mokama Munger section of NH-80 from km 1.43 to km 70.00 in the State of Bihar pursuant to a concession agreement entered into between Mokama - Munger Highway Limited and NHAI.
Muzaffarpur – Sonbarsa Road Project	A project for two laning of Muzaffarpur - Sonbarsa section of NH-77 from km 2.8 to km 89.00, in the State of Bihar pursuant to a concession agreement entered into between North Bihar Highway Limited and NHAI.
Net Asset Value	Adjusted net asset value per equity shares as calculated by dividing the Net worth, as restated at the end of the period/year by the Adjusted number of equity shares outstanding at the end of the period/year
Net Worth	Net worth represents sum of equity share capital and reserves and surplus (securities premium, foreign currency translation reserve, general reserve, debenture redemption reserve, housing project reserve and statement of profit and loss).
New Investors	Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited and Amansa Investments Ltd (formerly known as Amansa Fund LP)
Oman MoU	MoU dated November 13, 2009 with the Company, C&C Constructions and Al- Nab'a Holding LLC
Order Book	Our Construction Business and Development Business portfolio comprising of 21 Projects under Construction awarded to us for which we have entered into signed agreements or received Letters of Acceptance or Letters of Intent or work orders but have not commenced work and the uncompleted part of the projects for which we have commenced work
Patna Bakhtiyarpur Road Project	A project for four laning of Patna - Bakhtiyarpur section of NH - 30 from kilometre 181.30 to 231.95, in the State of Bihar pursuant to a concession agreement entered into between Patna Bakhtiyarpur Tollway Limited and NHAI
Pile Foundation Projects	Include Pile Foundation Projects I, II and III. Work received from Power Grid

Term	Description
	Corporation of India Limited for the following contracts; 1. Pile Foundation Project I – P1 for fifteen river crossings (31 locs.) for Biswanath Chariyali – Tangla – Kokrajhar – Barabisa (Assam Border) section of + 800 kV HVDC Bipole Biswanath Chariyali – Agra Transmission Line associated with North East – Northern / Western Interconnector – I Project; 2. Pile Foundation Project II – Pile Foundation Package – P1 for (18 Loc.) for 400 kv D/C (Lapwing) Lower Subansiri-Biswanath Chariyali T/L-I & II and 400 kv D/C (Twin) Balipara-Biswanath Chariyali T/L associated with North East – Northern / Western Interconnector-I Project; and 3. Pile Foundation Project III – Pile Foundation Package – P2 for (31 Loc.) for 400 kv D/C (Quad) Balipara-Bongaigaon T/L associated with North East – Northern / Western Interconnector-I Project
Projects under Construction	Projects under Construction awarded to us for which we have entered into signed agreements or received Letters of Acceptance or Letters of Intent or work orders but have not commenced work and (ii) the uncompleted part of the projects for which we have commenced work, which currently include 21 projects under construction including EPC contracts for BOT Projects being developed under the Development Business
Saleable Area	Refers to that part of the Developable Area relating to the Company's Economic Interest (directly or indirectly) in the property. It is clarified that for developments where the land is completely owned by the Company or where the interest on the land accrues completely to the Company, the Developable Area shall be equal to the Saleable Area.
Tadipatri Railway Project	Contract received from the Government of Andhra Pradesh, P.W. (Roads & Buildings) Department for construction of railway over bridge in Tadipatri town limits at railway kilometer 366/2-3 on Gooty - Renigunta Section at kilometer 51/6 of Anantapur - Tadipatri - Bhogasamudram road in Anatapur District
Progressive Holdings	Progressive International Holdings Inc.
Promoter Group	Includes such persons and entities constituting our promoter group pursuant to Regulation 2 (1)(zb) of the SEBI Regulations
Promoters	Bollineni Krishnaiah, Bollineni Seenaiah, Bollineni Sujatha and Bollineni Yamuna
Real Estate Development Business	The development and construction of residential building projects in India and Dubai, namely Bollineni Hillside Project and Arena Apartments Project
Registered and Corporate Office	The registered and corporate office of the Company situated at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India
RoC/Registrar of Companies	The Registrar of Companies, Andhra Pradesh located at Hyderabad
SCL	SCL Infratech Limited
Shareholders'/ Investors' Grievance Committee	The shareholders'/ investors' grievance committee of our Board constituted at Board meeting held on September 16, 2011 and reconstituted on February 21, 2013, comprising of Ashoke Joshi as the chairman and B. Kameswara Rao and P. Murali Krishna as its other members
Somasila Swarnamukhi Link Canal Project	Contract received from superintending engineer, Nellore for the construction of Somasila Swarnamukhi Link Canal from kilometre 0.00 to kilometer 9.50 including CM & CD works, investigation, preparation of hydraulic particulars, designs and estimation in Nellore District
SPV	Special Purpose Vehicle
Subsidiaries	1. BSCPL Infra Projects Limited; 2. BSCPL Godhra Tollways Limited; 3. BSC C & C Kurali Toll Road Limited; 4. BSCPL International FZE;

Term	Description
	5. Green Desert Ventures Limited; 6. Green Desert Ventures, Inc.; 7. Progressive International Holdings, Inc.; and 8. BSCPL Aurang Tollway Limited.
Tarakarama Thirtha Sagaram Reservoir Project	Contract received from the superintending engineer, TTPR Circle, Vizianagaram for construction of barrage across Champavathi River with afflux bunds, head sluice, excavation of diversion canal including CM & CD works and tunnel, formation of earth dam to form a reservoir with two head sluices, surplus weir, surplus course and protection bunds, excavation of right and left main canal with distributory system with CM & CD works, including improvements of Tharakarama Thirthasagaram reservoir project, in Vizianagaram District
Unincorporated Joint Ventures	Unincorporated joint ventures arrangements set up for execution of specific projects with certain construction companies including several Joint Ventures with C&C Constructions and Joint Ventures with SCL Infratech Limited, China Railway 18 Bureau (Group) Co. Limited and KGLC for the purposes of bidding and/or executing projects relating to our construction business as well as our development business
Veligonda Dam Project	Contract received from the Project Administrator & Superintending Engineer, Veligonda Project Circle, Ongole for the closing of Kakarla Gap by constructing a N.O.F. dam excavation of link canal and part of Eastern Canal together with distributory system including construction of CM & CD Works

Issue Related Terms

Term	Definition
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Fresh Issue and the transfer of the Equity Shares pursuant to the Offer for Sale to successful Bidders
Allotment Advice	In relation to Bidders other than Anchor Investors, the note or advice or intimation of Allotment of the Equity Shares, sent to each successful Bidder who have been or are to be Allotted Equity Shares after discovery of the Issue Price, including any revision thereof
Allottee	A successful Bidder to whom the Equity Shares are/ have been Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹ 100 million
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted to Anchor Investors under the Anchor Investor Portion in terms of the Red Herring Prospectus and the Prospectus, which price will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Bidding Date	The date one Working Day prior to the Bid Opening Date prior to or after which the Syndicate will not accept any Bids from Anchor Investors
Anchor Investor Issue Price	The price at which Allotment is made to Anchor Investors in terms of the Red Herring Prospectus, which shall be higher than or equal to the Issue Price, but not higher than the Cap Price
Anchor Investor Pay-in Date	In case of Anchor Investor Issue Price being higher than Anchor Investor Issue Price, no later than two Working Days after the Bid / Issue Closing Date
Anchor Investor Portion	Up to 30% of the QIB Portion, available for allocation to Anchor Investors on a discretionary basis at the Anchor Investor Issue Price, in accordance with the SEBI Regulations
ASBA Account	An account maintained with the SCSB and specified in the Bid cum Application Form submitted by ASBA Bidders for blocking the amount mentioned in the Bid cum Application Form

Term	Definition
ASBA Bidder(s)	Any Bidder other than an Anchor Investor who Bids/applies through ASBA in accordance with the terms of the Red Herring Prospectus
ASBA or Application Supported by Blocked Amount	An application, 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 Non Institutional Bidders participating in the Issue
Axis Capital	Axis Capital Limited
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as bankers to the Issue and with whom the Escrow Account will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders as described in "***Issue Procedure – Basis of Allotment***" on page 412
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 or purchase the Equity Shares of the Company at a price within the Price Band, including all revisions and modifications thereto
Bid Amount/Payment Amount	The highest value of optional Bids indicated in the Bid cum Application Form
Bid Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate, Non Syndicate Registered Brokers and the SCSBs will not accept any Bids, and which shall be notified in [●] editions of English national daily newspaper, [●] editions of Hindi national daily newspaper, and [●] edition of Telugu language newspaper 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 Regulations. Further, the Bidding by QIBs may close one Working Day prior to the Bid Closing Date
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 the Red Herring Prospectus
Bid Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, Non Syndicate Registered Brokers and the SCSBs shall start accepting Bids, and which shall be the date notified in [●] editions of English national daily newspaper, [●] editions of Hindi national daily newspaper and [●] edition of Telugu language newspaper, each with wide circulation
Bid Price	The prices indicated against each optional Bid in the Bid cum Application Form
Bid/Issue Period	The period between the Bid Opening Date and the Bid Closing Date or the QIB Bid Closing Date, as the case may be (in either case inclusive of such date and the Bid Opening Date) during which Bidders, other than Anchor Investors, can submit their Bids, inclusive of any revision thereof
Bidder	A prospective investor in this Issue who makes a Bid, and unless otherwise stated or implied, includes an ASBA Bidder
Bidding	The process of making a Bid
Bidding Centre	A centre for acceptance of the Bid cum Application Form
Book Building Process	The book building process as described in Part A of Schedule XI of the SEBI Regulations
Book Running Lead Managers or BRLMs	Book running lead managers to this Issue, being JM Financial and Axis Capital
CAN or Anchor Investor Confirmation of Allocation Note	In relation to Anchor Investors, the note or advice or intimation including any revisions thereof, sent to each successful Anchor Investors indicating the Equity Shares allocated after discovery of the Anchor Investor Issue Price
Cap Price	The higher end of the Price Band and any revisions thereof, above which the Issue Price will not be finalized and above which no Bids will be accepted

Term	Definition
Controlling Branches	Such branches of the SCSBs which co-ordinate Bids under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in/pmd/scsb.pdf. or at such other website as may be prescribed by SEBI from time to time
Cut-Off Price	Any price within the Price Band determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, at which only the Retail Individual Bidders are entitled to Bid, for Equity Shares of an amount not exceeding [●]
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	A depository registered with the SEBI under the Depositories Act, 1996
Depository Participant or DP	A depository participant registered with the SEBI under the Depositories Act
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf. or at such other website as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, 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 shall Allot Equity Shares to successful Bidders in the Fresh Issue and the Selling Shareholders shall transfer the Equity Shares in the Offer for Sale
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This Draft Red Herring prospectus dated March 5, 2013 filed with SEBI, prepared and issued by our Company in accordance with the SEBI Regulations
Eligible NRI	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to Bid on the basis of the terms thereof
Engagement Letters	Engagement letter dated September 1, 2011 from the Company appointing JM Financial as one of the BRLMs; and engagement letters dated September 15, 2011 and February 1, 2013 from the Company appointing Axis Capital as one of the BRLMs.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Escrow Account(s)	Accounts opened with Escrow Collection Bank(s) for this Issue to which cheques or drafts are issued by Bidders (excluding ASBA Bidders) in respect of the Bid Amount
Escrow Agreement	An agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Issue, the Escrow Collection Banks, the Book Running Lead Managers and the Syndicate Members for the collection of Bid Amounts and for remitting refunds, if any, to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form, as applicable
Floor Price	The lower end of the Price Band below which no Bids will be accepted and any revisions thereof
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 3,500 million by the Company offered for subscription pursuant to the terms of the Red Herring Prospectus
IPO Grading Agency	[●], the credit rating agency appointed by our Company for grading this Issue
Issue	The public issue of up to [●] Equity Shares for cash at a price of [●] per Equity Share for an amount aggregating up to ₹ 6,500 million, consisting of the Fresh Issue and the Offer for Sale
Issue Agreement	The agreement entered into on February 28, 2013 between our Company, the Selling Shareholders, the Book Running Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue

Term	Definition
Issue Price	The final price at which Allotment will be made, as determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers
Issue Proceeds	The proceeds of the Issue that will be available to the Company and the Selling Shareholders
JM Financial	JM Financial Institutional Securities Private Limited
Mutual Fund Portion	[●] Equity Shares or 5% of the Net QIB Portion, available for allocation to Mutual Funds out of the Net QIB Portion
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	Net proceeds of the Fresh Issue after deducting the Issue related expenses of our Company from the Issue Proceeds
Net QIB Portion	The QIB Portion less the number of Equity Shares Allocated to the Anchor Investors on a discretionary basis
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non Syndicate Broker Centre	A broker centre of the Stock Exchanges with broker terminals, wherein a Non Syndicate Registered Broker may accept Bid cum Application Forms, a list of which is available on the website of the Stock Exchanges, and at such other websites as may be prescribed by SEBI from time to time
Non Syndicate Registered Broker	A broker registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers Regulations), 1992, having office in any of the Non Syndicate Broker Centres, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Non-Institutional Bidders	All Bidders (including ASBA Bidders and Sub-Accounts which are foreign corporates or foreign individuals) who are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for an amount more than ₹ 200,000
Non-Institutional Portion	Being not less than 15% of the Issue consisting of [●] Equity Shares, available for allocation to Non-Institutional Bidders
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian, FIIs registered with SEBI, QFIs and FVCIs registered with SEBI
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 3,000 million by the Selling Shareholders
Price Band	The price band between and including the Floor Price and Cap Price, including any revisions thereof
Pricing Date	The date on which the Issue Price is finalised by our Company and Selling Shareholders in consultation with the Book Running Lead Managers
Prospectus	The prospectus of our Company to be filed with the RoC for this Issue after the Pricing Date, in accordance with Sections 56, 60 and 60B of the Companies Act and the SEBI Regulations
Public Issue Account	The bank account opened with the Bankers to the Issue by our Company under Section 73 of the Companies Act to receive money from the Escrow Account and where the funds shall be transferred by the SCSBs from the ASBA Accounts on the Designated Date
QIB Bid Closing Date	The date after which the Syndicate and the SCSBs will not accept any Bids from QIBs, and which shall be notified in [●] editions of English national daily newspaper, [●] editions of Hindi national daily newspaper and [●] editions of Telugu language newspaper, 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 Regulations. The Bidding by QIBs may close one Working Day prior to the Bid Closing Date

Term	Definition
QIB Portion	Being not more than 50% of the Issue, that is, at least [●] Equity Shares shall be Allotted to QIBs (including the Anchor Investor Portion)
QIBs/ Qualified Institutional Buyers	Qualified institutional buyers or QIB shall have the meaning ascribed to such term under the SEBI Regulations and shall mean and include (i) a Mutual Fund, FVCIs, AIFs,VCFs registered with SEBI; (ii) an FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; (iii) a public financial institution as defined in Section 4A of the Companies Act; (iv) a scheduled commercial bank; (v) a state industrial development corporation; (vi) an insurance company registered with the Insurance Regulatory and Development Authority; (vi) ia provident fund with minimum corpus of ₹ 250 million; (ix) a pension fund with minimum corpus of ₹ 250 million; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and (xi) insurance funds set up and managed by army, navy or air force of the Union of India.
Qualified Foreign Investors or QFIs	Person who is not a resident in India, 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 a 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; and (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
Red Herring Prospectus or RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act and the SEBI Regulations, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Issue Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened by our Company with the Refund Banker, from which refunds of the whole or part of the Bid Amount (excluding the ASBA Bidders), if any, shall be made out of the subscription monies transferred from the Public Issue Account
Refund Banker(s)	The Banker(s) to the Issue, with whom the Refund Account(s) will be opened, in this case being [●]
Registrar/ Registrar to the Issue	Karvy Computershare Private Limited
Retail Individual Bidders	Individual Bidders (including HUFs applying through their karta, and Eligible NRIs) who have Bid for an amount less than or equal to ₹ 200,000
Retail Portion	Being not less than 35% of the Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders in accordance with SEBI Regulations
Revision Form	The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable
Self Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on

Term	Definition
	http://www.sebi.gov.in/pmd/scsb.pdf or at such other website as may be prescribed by SEBI from time to time
Selling Shareholders	New Vernon Private Equity Limited, Tattersalls Limited, Tiger Veda Bharat, LB India Holdings Mauritius II Limited and L&T Infrastructure Finance Company Limited
Stock Exchanges	The BSE and the NSE
Syndicate	The Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	The agreement to be entered by our Company, the Selling Shareholders and members of the Syndicate, in relation to the collection of Bids (excluding Bids from the ASBA Bidders)
Syndicate Members	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, in this case being [●]
Transaction Registration Slip/ TRS	The slip or document issued by any of the members of the Syndicate, or the SCSBs, as the case may be, to a Bidder upon demand as proof of registration of the Bid
Underwriters	The Syndicate Members
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company, the Selling Shareholders and the Registrar to the Issue on or immediately after the Pricing Date
Working Days	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding Sundays and bank holidays in Delhi or Mumbai in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Technical/Industry Related Terms

Term	Description
BPLR	Benchmark Prime Lending Rate
CAD Department	Command Area Development Department
COD	Commercial Operations Date
CRF	Central Road Fund
DBFOT	Design, build, finance, operate and transfer
EPC	Engineering, procurement and construction
Grant	Generally bids are invited and evaluated by NHAI for a project on the basis of the lowest financial grant required by a bidder for implementing the project
IFRS	International Financial Reporting Standards
Lane Kilometer	A measurement unit generally used in the road industry to represent the length and width of roads. One lane kilometre equals to number of kilometres multiplied with number of lanes
LoA	Letter of Acceptance
LoI	Letter of Intent
Metal	Crushing stone
NHAI	National Highways Authority of India
NHDP	National Highways Development Programme
Premium	The highest premium offered to be paid by the bidder in the form of a revenue share or upfront payment, as the case may be, to NHAI

Conventional/General Terms

Term	Description
AB	Andhra Bank
ADB	Asian Development Bank

Term	Description
AED	Arab Emirates Dirhams
AFN	Afghanistan Afghani
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AP Entry Tax Act	Andhra Pradesh Tax on Entry of Motor Vehicles into Local Areas Act, 1996
APPCB	Andhra Pradesh Pollution Control Board
APVAT Act	Andhra Pradesh Value Added Tax, 2005
AT	Arbitral Tribunal
Accounting Standards	Accounting Standards issued by ICAI
BAN	Beneficiary Account Number
BCSL	Bollineni Casting and Steel Limited
BOCW Act	Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996
BOI	Bank of India
BSE	BSE Limited
CARO	Companies Audit Report Order
CDSL	Central Depository Services (India) Limited
Cess Act	Building and Other Construction Workers Welfare Cess Act, 1996
Circular 2 of 2011	Consolidated FDI Policy of Circular 2 of 2011 issued from time to time by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
Civil Procedure Code	Civil Procedure Code, 1908
CLRA Act	Contract Labour (Regulation & Abolition) Act, 1970
Companies Act	Companies Act, 1956, as amended from time to time
Competition Act	Competition Act, 2002
Construction Workers Act	Building and Other Construction Workers (Regulation of employment and Conditions of Services) Act, 1996
CST Act	Central Sales Tax Act, 1956
CTO	Commercial Tax Officer
DAB	Dispute Adjudication Board
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
DP ID	Depository Participant’s Identity
DP/Depository Participant	A depository participant as defined under the Depositories Act
DRB	Dispute Review Board
Easements Act	Indian Easements Act, 1882
EGM	Extraordinary General Meeting
EIA Notification	Environmental Impact Assessment Notification S.O.1533, issued on September 14, 2006
EMI	Equated Monthly Instalments
EPA	The Environment (Protection) Act, 1986
EPF Act	Employees Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Unless otherwise specified, Earnings Per Share, which is the profit after tax for a fiscal year divided by the weighted average of outstanding number of equity shares at the end of the fiscal year (as calculated in accordance with AS – 20)
ESI Act	Employees’ State Insurance Act, 1948
Explosives Act	Explosives Act, 1884
Explosives Rules	Explosives Rules, 2008
FCNR	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations

Term	Description
	thereunder and amendments thereto
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995, registered with SEBI under applicable laws in India
FIR	First Information Report
Financial Year/ Fiscal/ Fiscal Year/FY	Period of 12 months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board, Ministry of Finance, Government of India
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GoI/ Government/Central Government	Government of India
GPCB	Gujarat Pollution Control Board
HIV	Human Immunodeficiency Virus
HUDCO	Housing Urban Development Corporation
HR	Human Resources
HWM Rules	Hazardous Waste (Management Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICICI	ICICI Bank Limited
IDBI	IDBI Bank Limited
IFRS	International Financial Reporting Standards
Income Tax Act/I.T. Act	Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
Industrial Policy	The Industrial Policy, 1991
IIP	Index of Industrial Production
IMF	International Monetary Fund
JV	Joint Venture
KVAT Act	Karnataka Value Added Tax Act, 2003
KVAT Rules	Karnataka Value Added Tax Rules, 2005
LOI	Letter of Intent
MACT	Motor Accident Claims Tribunal
MAC	Motor Accident Claim
MCA	Model Concession Agreement
Minimum Wages Act	Minimum Wages Act, 1948
Mn	Million
MOEF	Ministry of Environment and Forests
Motor Vehicles Act	Motor Vehicles Act, 1988
MoU	Memorandum of Understanding
MP Entry Tax Act	Madhya Pradesh Entry Tax Act, 1976
MPVAT Act	Madhya Pradesh Vat Act, 2002
MSRDCL	Maharashtra State Road Development Corporation Limited
MRO	Mandal Revenue Officer
MTPA	Metric ton p.a.
NABARD	National Bank for Agriculture and Rural Development
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer

Term	Description
NH Act	National Highways Act, 1956
NHDP	National Highways Development Programme
NOC	No Objection Certificate
NPR	Nepalese Rupees
NRE Account	Non Resident External Account
NRI	A person resident outside India, as defined under FEMA, who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of up to 60% by NRIs including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in this Issue
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 2002
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Public Private Partnership
RBI	Reserve Bank of India
RDO	Revenue Divisional Officer
Registration Act	Registration Act, 1908
RO	Omani Rial
RoNW	Return on Net Worth
Rs. /Rupees/₹	Indian Rupees
RTGS	Real Time Gross Settlement
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	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 FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
SLP	Special Leave Petition
Stamp Act	Indian Stamp Act, 1899
State Government	Government of a state in the Republic of India
SPV	Special Purpose Vehicle
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time

Term	Description
TDS	Tax Deducted at Source
TNGST Act	Tamil Nadu Government Sales Tax Act, 1959
TNPCB	Tamil Nadu Pollution Control Board
TNRSP	Tamil Nadu Road Sector Project
TNTCP Act	Tamil Nadu Town and Country Planning Act, 1971
T.P. Act	Transfer of Property Act, 1882
UP VAT Act	Uttar Pradesh Value Added Tax Act, 2008
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S./ United States	United States of America
UPTT Act	Uttar Pradesh Trade Tax Act, 1948
UPVAT Act	Uttar Pradesh Value Added Tax Act, 2008
US$ or USD	United States Dollars
UTI	Unit Trust of India
VAT	Value Added Tax
VB	Vijaya Bank
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Workmen's Compensation Act	Workmen's Compensation Act, 1923
YBL	Yes Bank Limited

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have the same meaning as is assigned to such words and expressions under the SEBI Regulations, the Companies Act, SCRA, the Depositories Act and rules and regulations made thereunder.

Notwithstanding the foregoing, terms in sections titled ***"Main Provisions of the Articles of Association"***, ***"Statement of Tax Benefits"***, and ***"Financial Statements"*** on pages 424, 112 and 240 respectively, will have the same meaning given to such terms in these respective sections.

PRESENTATION OF FINANCIAL, INDUSTRY, MARKET DATA

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India. All references to "Dubai" contained in this Draft Red Herring Prospectus are to Dubai, United Arab Emirates. All references to "Afghanistan" contained in this Draft Red Herring Prospectus are to the Islamic Republic of Afghanistan. All reference to "Nepal" contained in this Draft Red Herring Prospectus are to Democratic Republic of Nepal.

Financial Data

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our restated consolidated Financial Statements as at and for the six months ended September 30, 2012 and as of and for the Fiscals ended March 31, 2008, 2009, 2010, 2011 and 2012, which have been prepared in accordance with the requirements of the Companies Act and Indian GAAP and restated in accordance with the SEBI Regulations. Our Fiscal commences on April 1 and ends on March 31 of the next year. All references to a particular Fiscal are to the twelve-months ended on March 31 of that year. All references to consolidated and unconsolidated Financial Statements shall refer to our restated consolidated and restated unconsolidated Financial Statements.

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. Accordingly, the degree to which the Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting policies and practices, including Indian GAAP, Companies Act and SEBI Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

In this Draft Red Herring Prospectus, discrepancies, if any, in any table, graphs or charts 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. 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 22, 147 and 241 respectively, unless otherwise indicated, have been calculated on the basis of our Financial Statements.

Currency and Units of Presentation

All references to "Rupees" or "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "US Dollars" are to United States Dollars, the official currency of the United States of America. All references to "AED" are to Arab Emirates Dirhams, the official currency of the United Arab Emirates. All references to "NPR" are to Nepalese Rupees, the official currency of Nepal. All references to 'Omani Rial' 'RO' are to Omani Rial, the official currency of Oman. All references to 'AFN' are to Afghani, the official currency of Islamic republic of Afghanistan.

The exchange rates are as stated below***:***

Currency	As of February 26, 2013	As of December 31, 2012	As of September 30, 2012	As of March 31, 2012	As of March 31, 2011	As of March 31, 2010
1USD*@	54.06	54.78	52.70	51.16	44.65	45.14
1NPR#	0.62	0.62	0.61	0.62	0.62	0.61
1AED#	14.70	14.89	14.29	14.11	12.33	12.25
1Omani Rial#	139.85	142.05	135.94	134.29	117.30	116.41

Currency	As of February 26, 2013	As of December 31, 2012	As of September 30, 2012	As of March 31, 2012	As of March 31, 2011	As of March 31, 2010
1AFN#	1.02	1.05	1.01	1.03	1.00	0.93

* Source: RBI website

Source: *www.oanda.com*

@ In the event of the indicated daye not being a Working Day, the exchange rate has been taken as of an immediately preceeding Working Day

This Draft 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 rate.

Industry and Market Data

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

Further, the extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI Regulations, we have included in the section titled "***Basis for Issue Price***" on page 109, information pertaining to our peer group companies. Such information has been derived from publicly available annual reports of the peer group companies and verified by a chartered accountant as certified through certificate dated March 4, 2013.

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

FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft 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.

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

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:

- Delays in the completion of current and future infrastructure construction and development projects;
- Actual costs mary vary substantially from the assupmtions underlying the bid;
- High dependency on projects undertaken by Government entities;
- Delays in acquisition of land and/or eviction of encroachments;
- Problems relating to the operations of our joint ventures;
- Limited ability to negotiate standard form of Government;
- Changes/fluctuations in toll rates;
- Limited experience in developing irrigation, railway, building construction and development and operation and maintenance of BOT projects, Real Estate Development Business, Hydro Electric Power Projects;
- Revenues and profits from our Real Estate Development Buisness are difficult to predict and can vary significantly from period to period;
- Our inability to raise the necessary funding for our capital expenditures, including for the development of our projects;
- The monetary and interest rate policies of India, inflation, deflation, unanticipated turbulence in interest rates;
- Foreign exchange rates, equity prices or other rates or prices;

- The performance of the financial markets in India;
- General economic, business, political and social conditions in India; and
- Increasing competition in the infrastructure sector and real estate sector.

For further discussions of factors that could cause our actual results to differ, see sections titled "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 22 and 241, 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. The Company, 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, the Company 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. Each Selling Shareholder will ensure that investors in India are informed of material developments in relation it and the Equity Shares offered by it in the Offer for Sale, until such time as the grant of listing and trading permissions by the Stock Exchanges.

SECTION II – RISK FACTORS

*Investment in Equity Shares involves a high degree of risk. The risks and uncertainties described below together with the other information contained in this Draft Red Herring Prospectus should be carefully considered before making an investment decision in our Equity Shares. The risks described below do not purport to be a complete or comprehensive list of the risks relevant to India, the industry in which the Company operates, the Company or our Equity Shares. Additional risks and uncertainties, not presently known to the Company or that we currently deem immaterial may also impair the Company's business, results of operations, cash flows and financial condition. To obtain a complete understanding of the Company, prospective 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 147 and 241, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If any of the risks described below actually occur, our business, prospects, financial condition and results of operations could be adversely affected, the trading price of our Equity Shares could decline, and prospective investors may lose all or part of their investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue.*

Prospective investors should pay particular attention to the fact that the Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See section titled "**Forward Looking Statement**" on page 20.*

Unless specified or quantified in the relevant risks factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated, the figures appearing in this section are based on our consolidated Financial Statements.

Internal Risk Factors

Risk associated with our Business and Industry

1. ***Delays in the completion of current and future construction and development projects could have adverse effects on financial condition, cash flows and operating results.***

   Typically, our construction and development projects are subject to specific completion schedule requirements. We provide our clients with performance guarantees which require us to complete our projects within a specified timeframe.

   Additionally, our BOT Projects are typically required to achieve commercial operation date no later than the scheduled commercial operations date specified under the relevant concession agreements, subject to certain exceptions such as the occurrence and continuance of force majeure events that are not within the control of our project companies. Failure to adhere to contractually agreed timelines or extended timelines for reasons other than those that are specifically contemplated in such concession agreement could result in us being required to pay liquidated damages or penalty amounts as stipulated in the concession agreement, lead to forfeiture of security deposits, or performance guarantees being invoked. The client may also be entitled to terminate the concession agreement in the event of delay in completion of the work. In the event of such termination, we may only receive partial payments under such agreements and such payments may fall well short of our estimated earnings from such agreements. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns.

   There can be no assurance that we will be able to achieve financial closure for or complete our current and future projects within specified schedules or at all. Timely completion of our under construction and development projects is subject to various execution risks as well as other matters, including securing financing and the relevant approvals for such projects. For our BOT Projects under Development in the award stage, the letters of award also require that the project companies achieve financial closure by a date specified in the relevant concession agreement.

For instance, we were forced to incur a penalty of ₹2.75 million in Fiscal 2010 due to a delay in achieving financial closure for our Godhra Road Project.

Further, our Pile Foundation Project II and Pile Foundation Project III have not been completed on their respective scheduled completion dates. We have applied for, and currently await, an extension for the same from the Power Grid Corporation of India Limited.

In addition to a delay in the project schedule, we have also experienced delays in the grant of necessary approvals and licences by the concerned government entity, limited access to financial resources, limited access to technology that enable speedier completion of dam excavation and construction. Delays may result in cost overruns, lower returns on capital and reduced revenue for the project companies and the unincorporated JVs thus impacting the JVs performance, as well as failure to meet scheduled debt service payment dates and increased interest burdens from our financing arrangements for the projects.

Delays may result in cost overruns, lower returns on capital and reduced revenue for the project companies, as well as failure to meet scheduled debt service payment dates and increased interest burdens from our financing arrangements for the projects.

2. ***Our actual cost in executing a fixed-sum contract or in constructing a project which is the subject matter of a BOT agreement may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.***

Our BOT Projects generally take between 24 and 42 months to complete. In addition, in relation to our BOT Projects under Development, there is often an interval of more than 180 days between the signing of the concession agreement and the commencement of construction. Under the terms and conditions of fixed-sum contracts, we generally agree to construct a project for a fixed-sum, subject to contract variations covering changes in the client's project requirements. Under the terms and conditions of agreements for our BOT Projects under Development, we generally agree to pay to, or receive from the client awarding the concession an agreed sum of money, subject to contract variations covering changes in the client's project requirements. We may enter into fixed-sum contracts and agreements for the construction phase of BOT projects in the future which may not contain price escalation clauses covering increases in the cost of construction materials, fuel, labour and other inputs. Accordingly, our actual expense in executing a fixed-sum contract or in constructing our BOT Projects under Development may vary substantially from the assumptions underlying our bid for several reasons, including, but not limited to:

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

Our ability to pass on increases in the purchase price of raw materials and other inputs may be limited in the case of contracts with limited, or no price escalation provisions. For instance, we have suffered cost overruns in relation to our Kurali - Kiratpur Project.

These variations and other risks generally inherent to the development and construction industry may result in our profits from a project being less than as originally estimated or may result in us experiencing losses due to cost and time overruns. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our results of operations and cash flows.

3. ***Our business is significantly dependent on various Government entities and could be materially and***

adversely affected if there are adverse changes in the policies of such Government entities.

The Government and State Governments in India are making substantial investments in infrastructure development and construction. Consequently, our business is highly dependent on projects undertaken by Government entities. As at December 31, 2012 the value of ongoing contracts awarded to us by the Central Government, State Governments and other Government entities directly aggregated to ₹ 12,313.36 million and accounted for approximately for 31.72% of our Order Book. Any adverse change in the focus or policy framework regarding infrastructure development by the Government of India or any other State authority including in so far as they pertain to availability of incentives, could adversely affect our existing projects and opportunities to secure new projects.

The projects in which Government entities participate may be subject to delays, extensive internal processes, policy changes, Government or external budgetary allocation and insufficiency of funds. So long as Government entities are responsible for awarding concessions and maintenance contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them.

Further, with reference to projects where we have submitted successful bids, there may be delays in award of the projects and/or notification of appointed dates, which may result in our having to retain resources which remain unallocated, thereby affecting our results of operations. For instance, our revenue from operations declined to ₹ 11,876.21 million, by 17.19%, in Fiscal 2011 from ₹14,341.55 million in Fiscal 2010, due to a decrease in revenue from construction contracts which was caused by a delayed notification of appointed dates for several of our projects.

Any adverse changes in the Government or State Government policies may lead to our agreements being restructured or renegotiated and could also materially and adversely affect our financing, capital expenditure, revenues, development, cash flows or operations relating to our existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for our future projects.

Additionally, we may be restricted, in our ability to, among other things, increase prices, sell our interests to third parties, undertake expansions and contract with certain customers. These restrictions may limit our flexibility in operating our business, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

4. ***Delays in the acquisition of land and/or eviction of encroachments from Government or State Government owned land by the Government or State Governments may adversely affect the timely performance of our contracts leading to disputes with the Government or State Governments.***

In all of our Government contracts for road projects, the Government entities are required to facilitate the acquisition or lease of or secure rights of way over, tracts of land and/or to hand over unencumbered Government land free of encroachments. Delays in such acquisition or lease or securing right of way over such lands or in the eviction of encroachments may delay project implementation prescribed by the relevant concession agreement or the implementation agreement and cause consequent construction delays. This may lead to disputes and cross-claims for liquidated damages between our project companies and the Government entity. Even if we are not penalised for such delays, delays in the acquisition of the land may lead to payment delays or disputes with the Government entity in connection with a completed project's eligibility for an early completion bonus.

Further, roads projects undertaken as part of our construction and development business are dependent on procurement of contiguous land. Failure to acquire contiguous land by the Government entity could result in us changing, delaying or abandoning entire projects, which in turn could cause our business to suffer.

Any delays or inability to complete such acquisitions may also result in cost increases in the price of construction materials from original estimates, which we may not be able to pass on to clients. Moreover, we may be exposed to legal proceedings or claims by landowners objecting to the acquisition of their lands for our projects. These factors either individually or collectively could have an adverse effect on our revenues, business, financial condition, cash flows and results of operations.

5. ***Any material decrease between the actual traffic volume and our forecast traffic volume for a toll-based BOT project or a contract to collect tolls could have a material adverse effect on our results of operations, cash flows and financial condition.***

When preparing our tender for a toll-based BOT road project, we need to forecast the traffic volume for the road in order to work out our expected revenue over the concession period or the contract period, as applicable, in order to arrive at the our bid based on expected revenues for taking such BOT project or contract. In such instances, if the traffic volume is less than our forecasted traffic volume, the revenue from the BOT project may be less. We forecast the traffic volume for toll based BOT projects based on the data provided by outside agencies. The forecasting of traffic volumes is not an exact science, and we cannot assure you that our forecasts will be accurate.

All toll revenues depend on toll receipts and are materially affected by changes in traffic volumes. Traffic volumes may directly or indirectly be affected by a number of factors, many of which are outside our control, including:

- toll rates;
- fuel prices in India;
- the affordability of automobiles;
- location of the toll road projects;
- the quality, convenience and travel time on alternate routes outside our network;
- the availability of alternate means of transportation, including rail networks and air transport;
- the level of commercial, industrial and residential development in areas served by our projects;
- growth of the Indian economy;
- adverse weather conditions; and
- seasonal holidays.

Traffic volumes are also influenced by the convenience and extent of a toll road's connections with other parts of the local and national highway and toll road network, as well as the cost, convenience and availability of other means of transportation. There can be no assurance that future changes affecting the road network in India, through road additions and closures or through other traffic diversions or redirections, or the development of other means of transportation, such as air or rail transport, will not adversely affect traffic volume on our toll roads. revenue from toll receipts is affected by traffic volume and tariff rates, both of which are outside our control. The tariff structure is based upon the fee notification issued by NHAI and we do not have the ability to change it. In the event that we experience a significant decrease in traffic volumes on our BOT toll roads, we would experience a corresponding decrease in our revenues, profitability, cash flows, financial condition and the results of operations all of which may be materially and adversely affected.

Further, although the Government may be restricted from building competing toll roads for a certain period of time pursuant to the terms of the concession agreement, increased traffic volumes can lead to the Government building competing toll roads. Unlike national roads that are built pursuant to concessions granted by NHAI, which charge users toll payments for the use of such roads, State Governments do not typically charge tolls for the use of state roads. For instance, toll revenues collected at our BSC C&C Kurali Toll Road are lower than the revenues expected at the time of making the bid because of an existing alternative un-tolled road that is covering the same locations.

Our failure to compete effectively against State Government roads that cover the same locations could adversely affect our business prospects, cash flows, financial condition and results of operations.

Additionally, multiple toll road projects being set up along with rising fuel prices may lead to public resistance to paying toll charges on our road projects, which may have an adverse impact on our business, cash flows and results of operations.

6. ***We may encounter problems relating to the operations of our Joint Ventures, which could impose additional financial and performance obligations resulting in reduced profits or in some cases, significant losses from the Joint Venture.***

We have entered into joint venture arrangements, including certain Unincorporated Joint Ventures, with various companies as part of our business. As of December 31, 2012 we have entered into fifteen joint venture arrangements in respect of various BOT Projects under Development and Projects under Construction. For further details of the joint venture arrangements, see sections titled "***History and Corporate Matters***" and "***Our Business***" on pages 184 and 147, respectively. We anticipate that certain of our future projects will continue to be developed and maintained through joint ventures as we continue to jointly bid for contracts with suitable joint venture partners.

Our liability in relation to the projects being executed by our joint ventures is typically joint and several. The success of these Joint Ventures depends significantly on the satisfactory performance by our joint venture partners and fulfilment of their obligations, including obligations relating to equity funding and debt risk.

Delays in infusing equity contributions on the part of our joint venture partners may potentially adversely affect our ability to subscribe to equity in our incorporated and unincorporated joint ventures as the relevant shareholding percentages may be fixed under the relevant Joint Venture Agreements. In such cases, any excess contributions made by us may be treated as loans and therefore, would not ensure returns equal to that of equity contributions.

The inability of a joint venture partner to continue to fund or execute a project due to financial or legal difficulties or their inability to bring in investment as per the respective joint venture agreements could mean that we would bear increased and possibly sole responsibility for the completion of the project and a correspondingly greater share of the financial risk of the project. In some cases, we may not be able to provide the services which our joint venture partners have failed to provide, due to our lack of experience or expertise in certain areas and we may not be successful in finding suitable substitute partners, in a timely manner or at all. For instance we understand from certain public sources that, in Fiscal 2012 C&C Constructions Limited, our joint venture partner has sought the rescheduling of certain of its loans. We cannot assure you that any developments pursuant to the above, or any other factors, will not affect the ability of C&C Constructions Limited to fund or perform their obligations in relation to our joint ventures with them.

If our joint venture partners fail to perform their obligations satisfactorily, or at all, the joint venture may be unable to perform adequately or deliver its contracted services. Further, we may be more reliant on our joint venture partners in sectors where we have limited experience. In addition, we may also need the cooperation and consent of our various joint venture partners in connection with the operations of our joint ventures, which may not always be forthcoming. We may have disagreements with our joint venture partners regarding the business and operations of the joint ventures. We cannot assure you that we will be able to resolve such disputes in a manner that will be in our best interests. If we are unable to successfully manage relationships with our joint venture partners, our projects and our profitability may suffer.

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

7. ***We are jointly and severally be liable for loans taken by us with respect to our Joint Ventures***

Our liability in relation to the projects being executed by our joint ventures is typically joint and several. Lenders may be entitled to recover directly from us for the loans taken by us with respect to our Joint Ventures.

For instance, we have received a notice dated January 10, 2013 from Dhanlaxmi Bank, for defaults in repayment of the loan facilities availed by one of our Joint Venture, BSC C&C JV on March 29, 2011 and January 31, 2012, claiming default in repayment of the facilities availed and directing repayment of an amount of ₹ 42.10 million within sixty days from the notice.

While the amount claimed in the notice has been settled, we cannot assure that we or our Directors will not receive such notices in the future. This may adversely affect our reputation and our ability to access fresh funding.

Further, we cannot assure you that our lenders will not accelerate the repayment of their loans, invoke securities under the said loans or otherwise make any claims against us pursuant to the same. We further cannot assure you that any cross default clause in the loan documentation for the facilities by the Company, or our other Subsidiaries or Joint Ventures, including loans availed from any other lenders, will not be invoked.

8. ***We have experienced significant delays in relation to the execution of our Irrigation Contracts, which may result in cost overruns, lower returns on capital and reduced revenue.***

We have experienced significant delays in relation to the execution of our Irrigation Contracts. For instance, our first Irrigation Contract, the Veligonda Project commenced in 2005 and the project is currently in the construction and development phase. The scheduled date of completion as on the date of this Draft Red Herring Prospectus is August 2014. Further, we have made significant contributions to fund our Irrigation Contracts including certain Irrigation Contracts we are executing with our Joint Venture Partner SCL.

We cannot assure you that we will be able to successfully complete our irrigation projects in a timely manner, or generate envisaged returns on our investments.

9. ***Work-in-Progress recognized in relation to ongoing construction on our projects may not be realized.***

We currently account for ongoing construction in our projects which is pending certification by our clients as a part of our inventory as Work in Progress.

In the event that the execution of the said projects are not completed either to the satisfaction of our clients or at all, or where certification in relation to the relevant construction is not forthcoming from our clients, the amounts so recognised may become disputed and may be realized at a lower value or not at all.

10. ***One of our Group Companies, Aishu Projects Limited, does not have documents relating to compliances with the Listing Agreement and other applicable securities laws.***

Aishu Projects Limited (“**APL**”), one of our Group Companies, was listed on the Madras Stock Exchange on December 19, 1996, and on the Hyderabad Stock Exchange on December 5, 1996. As on date, our Promoters, Bolleneni Krishniah, Bollineni Seeniah and Bollineni Sujatha, currently hold 20.96 % of APL directly, and through our Company, hold an additional 14.96% of APL. While Hyderabad Stock Exchange has subsequently ceased to operate as a recognized stock exchange, the documents available with us indicate that APL continues to be listed on Madras Stock Exchange. As on date, APL has confirmed to us that it does not have documents relating to filing and other compliances under the Listing Agreements or other applicable securities laws, as filed with the Madras Stock Exchange.

We cannot assure you that APL is in compliance with the Listing Agreement or with the provisions of applicable securities laws. While APL has confirmed to us that it has not received any notice from the Madras Stock Exchange or the any other regulatory authorities in relation to non compliance with the

Listing Agreement and other applicable securities laws, we cannot assure you that no penalty shall be imposed or other civil, criminal or regulatory action shall not be initiated against APL or against our Promoters. If such penalties are imposed or any such action is initiated, *inter alia*, our reputation and that of our Promoters may be adversely affected, which may have an adverse impact on our business and financial condition."

11. ***Our Order Book may not be representative of our future results.***

Our Order Book as of December 31, 2012 was ₹ 38,821.88 million. Order Book projects represent business that is considered firm, but cancellations or scope or schedule adjustments could occur. We could also encounter problems executing the project as ordered, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients could postpone a project or cause its cancellation, including delays or failures to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in project scope and schedule, as a result of exercises of our clients' discretion, problems we encounter in project execution, or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent an Order Book project will be performed. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive on a timely basis or at all, all payments otherwise due to us on a project. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative of our future performance. If in the future our results of operations are below market expectations, the price of our Equity Shares could be affected.

Further, we may not be awarded the projects for which we have currently been prequalified or have submitted prequalification. Even if we are eventually awarded a project, we may not be able to achieve financial closure or enter into a concession agreement.

As on the date of this Draft Red Herring Prospectus, we are currently executing 21 Projects under Construction and cannot assure you that our Projects under Construction will be completed due to a number of factors.

All Projects under Construction involve various risks, including regulatory risk, construction risk, financing risk and the risk that these projects may ultimately prove to be unprofitable. Entering into any new projects may pose significant challenges to our management, administrative, financial and operational resources. We cannot provide any assurance that we will succeed in any new projects we may enter into or that we will recover our investments in such projects. Any failure in the development, financing or operation of any of our new projects may materially and adversely affect our business, financial condition, cash flows and results of operations.

12. ***Our bids may not always be accepted. Our financial condition would be materially and adversely affected if we fail to obtain new contracts.***

As a part of our business, we bid for projects on an ongoing basis. Projects are awarded following competitive bidding processes and satisfaction of prescribed pre-qualification criteria. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in client decisions, there can be no assurance that we would be able to meet such qualification criteria, particularly for large development projects, whether independently or together with other joint venture partners.

Further, once the prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded based on the basis of the quote by the prospective bidder. We generally incur significant costs in the preparation and submission of bids, which are one-time costs. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted or if already submitted, would be accepted.

If we are not able to pre-qualify in our own right to bid for large construction and development projects, we may be required to partner and collaborate with other companies in bids for such projects. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large construction and development projects, which could affect our growth plans.

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

The growth of our business mainly depends on our ability to obtain new contracts in the sectors we operate. Generally, it is very difficult to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timing of contract awards.

13. ***Our Subsidiary, BSC C&C Kurali Toll Road Limited has received a Short Term Non Investment Grade Credit Rating of [ICRA]D for bank facilities availed by it.***

BSC C&C Kurali Toll Road Limited, our Subsidiary has availed certain bank facilities for financing the development and construction of the Kurali – Kiratpur Project.

In this regard ICRA has assigned a credit rating of [ICRA]D to BSC C&C Kurali Toll Road Limited in relation to the aforesaid facilities on grounds of continued delays in debt servicing due to stretched liquidity position and insufficient toll revenues to meet the operating expenses of our Subsidiary.

The low credit rating may prevent our Subsidiary or us from having access to financial resources which in turn may affect its, or our ability to borrow on favourable commercial terms, which may in turn affect our business, result of operation, cash flows and financial condition or those of the Subsidiary.

Further, North Bihar Highway Limited, of our JV SPV was assigned a below investment grade rating by a rating agency in relation to its term loan facility. Our JV SPV has not accepted the rating.

Additionally we cannot assure you that our other BOT Projects, or JV SPVs will be able to service their debt in a timely manner and that will not receive a negative or low credit rating which could materially and adversely impact their, or our, business and financial operations.

14. ***Our Auditors have, in their examination report on our consolidated Financial Statements, listed the following qualifications and emphasis of matter which may adversely impact our reputation and results of operations.***

The Auditors' have in their examination report on our Financial Statements listed the following qualification included by the respective statutory auditors for Fiscal 2010 in their audit report:

"iv. Report of the auditors for the year ended March 31, 2010 included the following qualification:

The accompanying consolidated financial statements as at and for the year ended 31 March 2010 include the unaudited financial statements of BSCPL International FZE whose un-audited financial statements reflect aggregate total assets of Rs. 635.15 million as at 31 March 2010 and aggregate total revenue of Rs. 117.41 million and net cash outflows amounting to Rs. 23.25 million for the year then ended. The accompanying consolidated financial statements do not include adjustments, if any that may be required had the financial statements of the aforesaid subsidiary been audited.

i. Report of the auditors for the six months ended September 30, 2012 included the following emphasis of matter:

We draw attention to Note 31(a) of Notes to the consolidated financial statements for the six months ended September 30, 2012 regarding claims amounting to Rs. 2,384.52 outstanding as at September 30, 2012 including a sum of Rs. 75.03 recognized as income during the current six months based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements. Our opinion is not qualified in respect of this matter.

Text of note 31(a) to the Notes of the audited consolidated financial statements for the six months ended September 30, 2012

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,384.52 (March 31, 2012: Rs. 2,309.49) including a sum of Rs. 75.03 (Claims accounted amounting to Rs. Nil and interest on claims amounting to Rs. 75.03) recognized as income during the current period. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

ii. Report of the auditors for the year ended March 31, 2012 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 31(a) of Notes to the consolidated financial statements for the year ended March 31, 2012 regarding claims amounting to Rs. 2,309.49 Million (March 31, 2011: Rs. 2,599.14 Million) outstanding as at March 31, 2012 including a sum of Rs. 196.21 Million (March 31, 2011: Rs. 941.46 Million) recognized as income during the current year based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements.

Text of note 31(a) to the Notes of the Audited consolidated financial statements for the year ended March 31, 2012

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,309.49 Million (March 31, 2011: Rs. 2,599.14) including a sum of Rs. 196.21 Million (Claims accounted amounting to Rs. 51.73 Million and interest on claims amounting to Rs. 144.48 Million) [March 31, 2011: Rs. 941.46 Million (Claims amounting to Rs. 789.73 Million, interest on claims amounting to Rs. 126.39 Million and prior period interest amounting to Rs. 25.34 Million)] recognized as income during the current year. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

iii. Report of the auditors for the year ended March 31, 2011 included the following emphasis of matter:

a. Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 2,857.89 million (31 March 2010: Rs. 1,716.38 million) outstanding as at 31 March 2011, including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 7 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

Sundry debtors and Loans and advances as at 31 March 2011 include certain claims aggregating to Rs. 2,599.14 million (31 March 2010: Rs. 1,716.38 million) and Rs. 258.75 million respectively (31 March 2010: Nil) including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year. The Group has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection.

b. Without qualifying our opinion, we draw attention to Note 14 on Schedule 23 to the consolidated financial statements, regarding management's assessment of carrying value of real estate under development aggregating to Rs. 548.82 million in a project. On the basis of such assessment, management is of the opinion that the realizable value of such inventory is expected to be higher than the current carrying value. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 14 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

"As at 31 March 2011 the Group has invested amounts aggregating to Rs. 548.82 million (31 March 2010: Rs. 497.10 million) towards development of a residential apartment in Dubai. The construction activities have been temporarily suspended due to current market conditions. Based on an independent evaluation of current economic and market conditions, the management believes that there are convincing evidences of overall improvement in the market and realization thereof. Further, the Company is committed to provide continued support to complete the project and recover its investment."

c. Without qualifying our opinion, we draw attention to Note 15 on Schedule 23 to the consolidated financial statements regarding duty drawback claims amounting to Rs. 155.51 million outstanding as at 31 March 2011, including a sum of Rs. 10.23 million recognized as income during the current year. The Group has assessed the recoverability of these claims based on a legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 15 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

Loans and advances as at 31 March 2011 include certain duty drawback claims aggregating to Rs. 155.51 million (31 March 2010: Rs. 210.83 million) including a sum of Rs. 10.23 million (31 March 2010: Rs. 130.89 million) recognised as income during the current year. Such claims represent refunds of excise duty paid on purchase of inputs for certain projects which are funded by notified institutions under the Central Excise Act, 1944. During the year, the Group has received a correspondence from the department of central excise and customs clarifying that certain input materials do not qualify for refund of excise duty under the duty draw back scheme. The Group, based on past experience and opinion of an independent legal counsel, is confident of realizing the claims outstanding as on 31 March 2011.

v. Report of the auditors for the year ended March 31, 2010 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 1,716.38 million outstanding as at 31 March 2010, including a sum of Rs. 787.69 million recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration/dispute, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly no adjustments have been made in these Consolidated Financial Statements.

Text of note 7 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2010:

"Sundry debtors as at 31 March 2010 include certain claims aggregating to Rs. 1,716.38 million (previous year: Rs. 928.68 million) including a sum of Rs. 787.69 million recognised as income during the current year. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

vi. Report of the auditors for the year ended March 31, 2009 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 8 on Schedule 24 regarding claims recognized by the Company for an amount aggregating to Rs. 360.82 million based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration/dispute, the Company as assessed the recoverability of these claims based on arbitration orders received and a legal opinion that the claims are tenable and would be tenable and would be realized. Accordingly no adjustments have been made in these Consolidated Financial Statements in this regard.

Text of note 8 on Schedule 24 of the audited consolidated financial statements for the year ended March 31, 2009:

Sundry debtors and works in progress as at 31 March 2009 include certain claims aggregating to Rs. 360.82 million (2008: Rs. 234.59 million), recognized in the earlier years. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, to the Company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection.

vii. Report of the auditors for the year ended March 31, 2008 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note no. 8 on Schedule 22 regarding certain claims recognized by the Company for an amount aggregating to Rs. 182.79 million based on the terms and conditions implicit in the respective contract. The claims being technical in nature and being the subject matter of arbitrations/dispute, the Company has, assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, Management is of the opinion that the claims are tenable and the entire amounts recorded as income would be realized.

Text of note 8 on Schedule 22 of the audited consolidated financial statements for the year ended March 31, 2008:

Sundry debtors of parent company as at 31 March 2008 include certain claims aggregating to Rs. 182.79 million (31 March 2007 – Rs. 845.52 million), recognized in the earlier years. The Company has preferred such claim based on the terms & conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, to the company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

For further details, see the Examination Report of our Auditors on our Consolidated Financial Statements in section titled "***Financial Statements***" on page 240.

15. ***Our auditors for the respective Fiscals have indicated certain CARO Qualifications on certain matters in our unconsolidated financial statements.***

Our unconsolidated financial statements for the Fiscals ended March 31, 2012, 2011, 2010, 2009 and 2008 contain CARO qualifications as reported by the auditors of respective Fiscals. These qualifications are as follows:

Financial Year ended March 31, 2012

"Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income- tax, sales- tax, wealth- tax, service tax, customs duty, excise duty cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though *there has been a slight delay in number of cases in respect of payment of tax deducted at source, professional tax, works contract tax, service tax, sales tax and labour cess.*"

Financial year ended March 31, 2011

"In our opinion, the Company has applied for term loans for the purpose for which the loans were obtained, except *an amount of Rs.614.30 million pending immediate utilisation have been utilised towards general corporate purposes.*"

Financial year ended March 31, 2010

"Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income- tax, sales- tax, wealth- tax, service- tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there have been significant delays in a few cases.* No undisputed amounts payable in respect thereof were outstanding at the year-end for a period more than six months from the date they became payable."

Financial year ended March 31, 2009

a) "The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except in cases of certain assets for which situation of assets and quantitative details are not updated.*

b) The Company has an internal audit system, *the scope and coverage of which, in our opinion requires to be further enhanced to be commensurate with the size and nature of its business.*

c) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a *slight delay in a few cases.* No undisputed amounts payable in respect of investor education and protection fund, employees' state insurance, income tax, sales tax, customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.

d) In our opinion, the Company has not defaulted in repayment of dues to financial institution or debenture- holders during the year. In respect of dues to banks the Company has defaulted in repayment *except delays as stated below*:

(₹ in million)

Name of the Bank	Amount	Period of delay (days)
State Bank of Hyderabad	50.00	18
State Bank of Hyderabad	50.00	38
Andhra Bank	15.00	19

e) In our opinion the Company has applied the term loans for the purpose for which the loans were obtained, *except for the utilization of the long term loan amounting to Rs. 200.00 million. Pending utilization of the term loan for the stated purpose, the funds are temporarily transferred to the cash credit account, from where they are withdrawn for the purpose for which the loan was obtained.*"

Financial year ended March 31, 2008

a) "The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except for scaffolding material where the records are maintained for group of material and not for each individual asset.*

b) In our opinion and according to information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company *except for two loans granted in earlier years whose maximum balance is Rs. 108.33 million and the closing balance as at March 31, 2008 is Rs. Nil which did not carry interest and accordingly such loans are prima facie prejudicial to the interests of the Company.*

c) The Company has an internal audit system, *the scope and coverage of which, in our opinion requires to be enlarged to be commensurate with the size and nature of its business.*

d) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *except for certain significant delays in remittance of withholding taxes and certain slight delays in the remittance of provident fund dues and employees' state insurance.*

e) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture-holders *except delays as state below:* "

(Rs. in million)

DUE TO	TYPE	PRINCIPAL	INTEREST	PERIOD OF DELAY (DAYS)
UTI Bank	Debentures	16.67	-	3
UTI Bank	Debentures	16.67	-	10
UTI Bank	Debentures	-	1.04	5
UTI Bank	Debentures	-	1.07	9

We cannot assure you that our financial statements will not contain CARO qualifications in the future.

This could have adverse impact on our reputation and results of operations.

16. ***Our ability to negotiate standard form of Government contracts may be limited and we may be required to accept unusual or onerous provisions in such contracts including terms in relation to limited control over collection of tolling revenues.***

Our ability to negotiate the terms of contracts with Government and State Government authorities is limited and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects.

In the context of our Development Business, the nature of contracts for our BOT Projects under Development with NHAI is such that we have limited control over the terms relating to collection of tolling revenues. Generally, the Government entity that has granted the relevant BOT concession to us unilaterally determines the terms on which we may collect toll revenues, and we are not permitted to amend such tolling rates without the prior written consent of such Government entity. The tolling rates set by Government entities depend on the nature of vehicles that use the roads that makeup our BOT projects. In setting tolling rates that apply to such vehicles, Government entities may give greater consideration to various socio-economic goals of the Government, rather than to the efficiencies of our business.

Further, we have won bids for some of our road projects on the basis of premium sharing with NHAI. However, such an arrangement under some of our road projects with NHAI may lead to cash flow deficits in the initial years of operations. Further, the premium increases by 5% every year affecting the cash flows in the initial years of operations. This could have an adverse impact on our business, financial conditions, cash flows and results of operations.

17. ***There are outstanding litigations against us, our Promoters, our Group Companies, our Subsidiaries, Incorporated Joint Ventures and Unincorporated Joint Ventures and any adverse developments thereto, affects our Company.***

A summary of such legal proceedings are provided in the following tables:

Litigation against the Company

Nature of Litigation	Number of Outstanding Litigations	Amount Involved (₹ *in million*)
Civil – Compensation claims	51	39.40
Civil – Other cases	16	95.33
Criminal	2	1.27
Arbitration	3	310.44
Orders/notices received by the Company (includes tax claims)	24	613.67

Litigation against the Subsidiaries

Nature of Litigation	Number of Outstanding Litigations	Amount Involved (₹ *in million*)

Nature of Litigation	Number of Outstanding Litigations	Amount Involved (₹*in million*)
BSC C&C Kurali Toll Road Limited		
Civil Case	1	NA

Litigation against the Joint Venture Companies and Unincorporated Joint Ventures

Nature of Litigation	Number of Outstanding Litigations	Amount Involved (₹*in million*)
North Bihar Highway Limited		
Civil Cases	1	NA
BSC C&C JV		
Civil Cases	69	105.55
Tax Claims	3	102.72
Assessment Orders	3	1,419.26
Criminal Cases	2	8.79
BSC-RBM-PATI		
Arbitration	3	310.44
BSCPL SCL JV		
Criminal Cases	1	NA
KMC-Oriental-BSCPL (JV)		
Civil Cases	2	1.2

Litigation against the Promoters

Nature of Litigation	Number of Outstanding Litigations	Amount Involved (₹*in million*)
Bollineni Seenaiah		
Civil Cases – Motor Vehicle Claim	1	1.58
Civil Cases – Other cases	1	NA
Assessment Orders	5	9.00
Bollineni Krishnaiah		
Civil Cases	6	NA
Assessment Orders	1	0.63
Bollineni Sujatha		
Assessment Orders	5	4.30

Litigation against the Group Companies

Nature of Litigation	Number of Outstanding Litigations	Amount Involved (₹*in million*)
Bollineni Castings and Steel Limited		
Civil Cases	1	0.40
Krishna Institute of Medical Sciences Limited		
Civil Cases – Consumer disputes	7	28.90

These legal proceedings are pending at different levels of adjudication before various courts and tribunals in India. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot provide assurance that these legal proceedings will be decided in our favour. Decisions in such proceedings adverse to our interests may have a significant adverse effect on our business, results of operations, cash flows and financial condition. For further details of the aforesaid litigations, see section titled "***Outstanding Litigation and Material Developments***" on page 293.

18. ***We are also involved in certain arbitration proceedings with NHAI, MSRDCL and TNRSP, and may be adversely affected if these proceedings are determined against us.***

We, along with our unincorporated joint ventures, BSC RBM PATI and BSC C&C JV, are currently involved in certain claim proceedings with NHAI, MSRDCL and TNRSP, arising out of various disputes under our Construction Business projects.

These disputes involve claims referred to by us for various amounts payable to us under the relevant contracts, some of which have been awarded in our favour by the respective dispute resolution boards. While the certain disputed amount has been awarded to us under these claims, they have been appealed against/challenged by NHAI, MSRDCL and TNRSP respectively. In the event that the said appeals are successful, we may have to reverse income recognized against such awards. Our statutory auditors for the relevant periods have highlighted certain of the above claims as matters of emphasis in their respective audit reports.

In addition to the above, there are three claims, including one counter claim filed by NHAI, against us. In the events that these claims fructify, we may be required to make additional payments to them.

A summary of such arbitration proceedings are provided in the following tables:

Claims against NHAI

S. No.	Parties involved in the Arbitration	Forum	No. of Claims	Amount awarded/recommended (₹ *in million*)
1	Our Company	DRB	9	1,955.05
		AT	3	892.91
2.	BSC C&C JV	DRB	3	1,069.35
		AT	2	259.84
TOTAL			17	4,177.15

Claims pending*

S. No.	Parties involved in the Arbitration	Forum	No. of Claims	Amount claimed (₹ *in million*)
1	BSC C&C JV	American Arbitration Association	1	USD 117.99 million (₹ 6,378.54)
2.	BSC-RBM-PATI	AT	4(including one counter claim)	948.67
TOTAL			5	7,909.88

* the above mentioned cases are pending before the respective forums and no awards have been passed with respect to them.

Claims filed by NHAI

S. No.	Parties involved in the Arbitration	Forum	No. of Claims	Amount awarded/recommended (₹ *in million*)
1.	BSC-RBM-PATI	AT	3(including one counter claim)	620.87
TOTAL			3	620.87

Claims against MSRDCL

S. No.	Parties involved in the Arbitration	Forum	No. of Claims	Amount awarded/recommended (*₹ in million*)
1.	BSC-SCL (JV)	AT	2	61.44
TOTAL			2	61.44

Claims against TNRSP

S. No.	Parties involved in the Arbitration	Forum	No. of Claims	Amount awarded/recommended (*₹ in million*)
1.	KMC-Oriental-BSCPL (JV)	AT	2	29.48
TOTAL			2	29.48

For further details of the aforesaid proceedings, see section titled "***Outstanding Litigation and Material Developments***" on page 293.

19. ***Failure to achieve financial closure within a stipulated period of time from the date of signing of the concession agreement would attract penalty.***

The terms of our concession agreements with NHAI, usually require us to achieve financial closure for the projects within a stipulated period of 180 days from the date of signing of the concession agreement. If we are unable to achieve financial closure within the stipulated period, then the concession agreement contemplates payment of damages to NHAI. The terms of the concession agreements provide for the damages to be calculated typically at the rate of 0.1% of the performance security for each day of delay until fulfillment of the conditions for financial closure. The concession agreement also generally provides that in the event the financial closure is not achieved within the stipulated date or the extended date, all rights, privileges, claims and entitlements of the concessionaire under such agreement shall be deemed to be waived and the agreement shall be deemed to be terminated by mutual consent. The concession agreements that we may enter into in future may have similar or more stringent terms. For instance, we were forced to incur a penalty of ₹ 2.75 million in Fiscal 2010 due to a delay in achieving financial closure for our Godhra Road Project. We cannot assure you that we will be able to achieve financial closure in time or at all for our future projects. Any delay in achieving financial closure could result in us having to pay a penalty as per the terms of the concession agreement or the agreement being terminated in accordance with its terms, thereby adversely affecting our financial conditions, cash flows and results of operations.

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

We are required to deliver a performance security to the client in terms of the contract entered into with the client and are also required to ensure that the performance security is valid and enforceable until we have completed the works and remedied any defects during the defects liability period or such other period as is stipulated under the relevant contract. If the terms of the performance security specify an expiry date and we have not become entitled to receive the take-over certificate by such date, we are required to extend the validity of the performance security until the work has been completed and any defects have been remedied. If we are not able to provide/extend the performance security within the stipulated period with respect to the project, the subject of the agreement, then the relevant client can encash the bid security provided by us at the time of submission of tender and appropriate the proceeds thereof as damages. It may also result in termination of the contract and we may be blacklisted by the client.

21. ***The timely and cost effective construction of our projects is dependent on the adequate and timely supply of key raw materials.***

The timely and cost effective construction of our projects is dependent on the adequate and timely supply of key materials, such as steel, aggregate, bitumen and concrete. We have entered into only one long term supply contract for cement which is currently under renewal. We cannot assure you that we will be able to procure adequate supplies of key materials in the future, as and when we need them on commercially acceptable terms. Additionally, we use third-party transportation providers for the supply of certain of our construction materials. Transportation strikes by members of various Indian truckers' unions and various legal or regulatory restrictions placed on transportation providers have had in the past, and could have in the future, an adverse effect on our receipt of supplies. If we are unable to procure the requisite quantities of construction materials, our business, results of operations, cash flows and financial condition may be adversely affected.

22. ***Delays associated with the collection of receivables from our clients may adversely affect our business, results of our operations, cash flows, and financial condition.***

There may be delays associated with the collection of receivables from our clients, including government owned, controlled or funded entities and related parties. As at March 31, 2012, and September 30, 2012 on a consolidated basis, ₹ 431.07 million and ₹ 492.88 million respectively and 26.52 %, 28.16% of our total trade receivables, respectively were outstanding for a period exceeding six months from the date of due payment. Our operations involve significant working capital requirements and delayed collection of receivables could adversely affect our liquidity, business, cash flows and results of operations. In addition, we may be subject to additional regulatory or other scrutiny associated with commercial transactions with government owned, controlled or funded entities.

23. ***Leakage of the tolls collected on our BOT toll roads may adversely affect our revenues and earnings.***

Our toll receipts are primarily dependent on the integrity of toll collection systems. If toll collection is not properly monitored, leakage may reduce our toll revenue. Any significant failure by us to control leakage in toll collection systems, could have a material adverse effect on our business, prospects, results of operations, cash flows and and financial condition,

24. ***We have limited experience in developing irrigation, railway, building construction and development and operation and maintenance of BOT projects, Real Estate Development Business, and Hydro Electric Power Projects. We may not be able to execute the projects successfully and our reputation and financial performance may consequently suffer.***

We (i) have two Completed BOT Projects, out of which we are operating one completed BOT Project and are in the process of developing one additional project where we are in the process of upgrading an existing road from a four lane to six lane road, (ii) we are executing four irrigation projects, (iii) are executing one railway project, two building construction projects, and (iv) executed an MOU for a hydro electric power project. We are also engaged in the development of two residential construction projects under our Real Estate Development Business.

We do not have an established track record in executing the above types of projects. In executing such projects, we face competition from established companies with experience in executing these types of projects and may not able for larger projects in these sectors due to our limited pre qualification experience.

Further, our execution or development of such new businesses may not be successful, and this could hamper our growth prospects and may also damage our reputation. For details on the operations we undertake in these sectors, see section titled *"**Our Business**"* on page 147. If we are unable to compete effectively for projects in these sectors, or if we are unable to execute the projects efficiently, our operations could be affected by financial losses and net cash outflows suffered in these projects or our reputation may suffer.

25. ***Our revenues and profits from our Real Estate Development Business are difficult to predict and can vary significantly from period to period, which could cause the price of our Equity Shares to fluctuate.***

Revenues from our Real Estate Development Business are dependent on various factors such as the size of our developments and the extent to which they qualify for percentage of completion treatment under our revenue recognition policies and general market conditions. In addition, the anticipated completion dates for our projects, see section titled *"**Our Business**"* on page 147, including those set forth in this Draft Red Herring Prospectus, are estimates based on current expectations and could change significantly, thereby affecting our timing of sales.

Further, while we make sales of properties, our ability to recognize revenue and profits will depend on the successful execution and completion of projects and the customers paying us the remaining amounts due under contract, after the payment of initial deposit. For instance, in 2008 we commenced the construction of Arena Apartment Project and we have received initial payments of a specific percentage of the total value for several dwelling units, however due to economic slowdown in 2008 and delay in completion of the said project, several buyers of the dwelling units have not paid the remaining amounts due to our Company. The construction of the project thereafter was slowed down since 2009 for lack of demand.

Further, there can be no assurance that we will be able to successfully execute and complete any future projects under our Real Estate Development Business.

The combination of these factors may result in significant variations in our revenues, cash flows and profits. Therefore, we believe that period-to-period comparisons of the results of operations of our Real Estate Development Business are not necessarily meaningful and should not be relied upon as indicative of our future performance. If in the future the results of operations of our Real Estate Development Business are below expectations, our financial condition, cash flows and results of operation could be adversely affected.

26. ***For our Real Estate Development Business, we are dependent on our suppliers for adequate and timely supply of key raw materials at competitive rates and have only entered into one long term supply contracts with a supplier. Further, increased raw material costs may adversely affect our cash flows and results of operations***

Our principal raw materials for our Real Estate Development Business include steel and cement. In our Real Estate Development business, timely procurement of these raw materials, the quality of the material and the price at which it is procured, plays an important role in the successful execution of any project. We typically execute purchase orders on a spot basis with our suppliers for each project and have entered into only one long-term supply contracts with our suppliers. Accordingly, we cannot assure you that we would be able to procure raw materials in a timely manner and at competitive prices or that we will not be affected in the event of any shortfall of supply since we do not have any definitive arrangements with our suppliers, which may adversely affect our business. If, for any reason, our primary suppliers of raw materials curtail or discontinue their delivery of such materials to us in the quantities we need and at prices that are competitive, our reputation and ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted and our business could suffer.

27. ***The real estate industry is intensely competitive and our inability to compete effectively may adversely affect our business, financial condition, cash flows and results of operations.***

In order to successfully develop and sell our Bollineni Hillside Project and Arena Apartments Project, we will have to operate in an intensely competitive and highly fragmented industry with low entry barriers. We will face significant competition in our business from a large number of real estate development companies who also operate in the same regional markets as us. Some of our competitors are better known in our markets and may commence operations in the vicinity of our current projects and may offer their products at competitive prices, resulting in a decreasing of sales of our projects.

Some of our competitors are larger than us and have large land reserves or financial resources or a more experienced management team. They may also benefit from greater economies of scale and operating efficiencies and may have greater experience in real estate development business, especially in relation to local laws and regulations. We cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, cash flows and results of operations.

28. ***We are subject to risks relating to the economic, political, legal or social environments of the domestic***

and international locations in which we operate.

We currently undertake international projects in international locations in Dubai and Afghanistan.

For Fiscal 2012 and for the six months ended September 30, 2012, our revenue from operations in geographical segment Afghanistan accounted for 3.12 % and 1.61% of our total revenue respectively. Afghanistan has in the past experienced periods of political instability and civil unrest and conflict. Our operations in Afghanistan are vulnerable to socio political disruptions including civil unrest and /or instances of terrorism and may be affected by a significant degree of uncertainty. This could adversely affect our business, cash flows and results of operations.

In order to manage our day-to-day operations, we must overcome social, cultural and language barriers and assimilate different business practices. Further, the construction industry in the Middle East experienced a slowdown as a result of the global credit crisis in 2008-09.

Our revenues from geographical segment Afghanistan and the geographical segment Rest of the World together accounted for 1.61%, 3.20 %, 11.05%, 7.16 % and 9.32 % of our total revenue for the six month ended September 30, 2012 and for Fiscals 2012, 2011, 2010 and 2009, respectively.

Consequently, we are subject to the jurisdiction of other tax authorities and regimes. In addition, we are also required to comply with the exchange control regime in India which governs Overseas Direct Investment. We may also operate in countries which may not have suitable double taxation avoidance agreements in place with India. In addition, we could be subject to expropriation or deprivation of assets or contract rights, foreign currency restrictions, exchange rate fluctuations and unanticipated taxes or encounter potential incompatibility with foreign joint venture partners.

As part of our Construction Business we also operate in areas of Bihar, Chattisgarh and Orissa which have witnessed socio political disruptions including civil unrest. This could adversely affect our business, cash flows and results of operations.

Our failure to manage our geographically diverse operations successfully, including our ability to react quickly to changing business and market conditions and comply with a range of industry and legal standards and procedures, could adversely affect our business and operations.

29. ***We may be subject to increase in our operations and maintenance costs, which may adversely affect our business, financial condition, cash flows and results of operations.***

The operation and maintenance costs of our projects may increase due to factors beyond our control, including:

- the standards of maintenance or road safety applicable to our projects prescribed by the relevant regulatory authorities;
- we being required to restore our projects in the event of any landslides, floods, road subsidence, other natural disasters accidents or other events causing structural damage or compromising safety; or
- higher axle loading, traffic volume or environmental stress leading to more extensive or more frequent heavy repairs or maintenance costs. The cost of major repairs may be substantial and repairs may adversely affect traffic flows.

Such factors, though not quantifiable monetarily, may reduce our profits and could materially and adversely affect our business operations, financial condition, cash flows and prospects.

30. ***A slowdown in the awarding of contracts by NHAI could cause our business to suffer.***

We derive a significant majority of our revenues from construction contracts from contracts awarded by NHAI either directly to us or to third parties including our Subsidiaries and Joint Ventures executing BOT projects. Consequently, our performance and growth is dependent on the road projects offered to the private sector by NHAI. Any change in government policies resulting in a decrease in the amount of road and bridge projects undertaken or a decrease in private sector participation in road and bridge projects may adversely affect our business, results of operations, cash flows and financial condition.

31. ***Sub-contracted projects can be delayed on account of the principal or sub-contractor's performance, resulting in delayed payments.***

We are sub-contractors on some of our projects for which our Subsidiaries and Joint Ventures are the principal contractor and we may also further sub-contract work on our projects. When we are a sub-contractor, payment on such projects depends upon the performance of the principal contractor and when we sub-contract, payments from our clients depend on our sub-contractors' performance. A completion delay on the part of a principal or sub-contractors, for any reason, could result in delayed payment to us. The execution risks we face in sub-contracted projects include:

- our principal or sub-contractors may not be able to complete the Project under Construction on time, within budget or to the specifications and standards that have been set in the contracts;
- where we sub-contract, we may not be able to pass on certain risks to sub-contractors such as unforeseen site and geological conditions which may make the site unsuitable for the project;
- as we expand geographically, we may have to use sub-contractors with whom we are not familiar, which could increase the risk of cost overruns, construction defects and failures to meet scheduled completion dates; and
- where we sub-contract work, we remain responsible for the sub-contracted work which means clients still have recourse to us in respect of actions, omissions and defects by our sub-contractors.

32. ***Conflicts of interest may arise out of common business objects shared by our Company and certain of our Group Companies.***

Our Promoters have interests in Group Companies, including Bollineni Developers Limited. For details of such Group Companies, see section titled "***Group Companies***" on page 224. We are engaged in the development of the residential projects, Bollineni Hillside Project in Chennai and Arena Apartments Project in Dubai. As a result, conflict of interests may arise in allocating or addressing business opportunities and strategies amongst our Company and our Group Companies in circumstances where our interests differ from theirs. Whilst our Promoters have entered into a non-compete agreement dated March 4, 2013 with our Company, whereby they have undertaken to neither directly nor indirectly engage or otherwise participate in activities or services which compete or may compete with our business. There can be no assurance that our Promoter or our Group Companies will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. This could have an adverse effect on our business.

33. ***We have incurred significant indebtedness and we may not be able to raise the required funds in a timely manner, on favourable terms or at all.***

The infrastructure construction and development sector is capital intensive and requires significant expenditure. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in what is expected to be a rising interest rate environment. As at September 30, 2012, our total secured and unsecured borrowings on a consolidated basis amounted to ₹ 23,335.80 million. Our significant indebtedness results in substantial debt service obligations and we will continue to incur substantial indebtedness even after the Issue on account of nature of our business. The long term debts/shareholders funds ratio on a consolidated basis is 2.25 as at September 30, 2012. We may not be successful in obtaining additional funds in a timely manner, on favourable terms or at all. For further details regarding our indebtedness, see sections titled "***Financial Statements***" and "***Financial Indebtedness***" on pages 240and 274, respectively.

Further, our Company has pledged its shareholding in certain of our Subsidiaries with lenders as security for certain of its borrowings. In the event that any of the lenders invoke the said pledge and dispose of the shares of our Subsidiaries, we may lose our shareholding and control over the relevant Subsidiaries.

It is customary in the sector in which we operate to provide bank guarantees or performance bonds to secure obligations under the respective project agreements. If we are unable to provide sufficient collateral to secure the bank guarantees or performance bonds, our ability to enter into new contracts or obtain adequate supplies could be limited. We may not be able to continue obtaining new bank guarantees and performance bonds in sufficient quantities to match our business requirements.

34. ***We are subject to restrictive covenants under our financing arrangements that could limit our flexibility in managing our business or to use cash or other assets.***

There are restrictive covenants in the agreements that we have entered into with certain banks for our borrowings, including, but not limited to, requirements that we obtain consent from the lenders prior to altering the capital structure, effecting any scheme of amalgamation or reconstitution, creating any charge or lien on the security, any alteration to the Memorandum of Association or Articles of Association. We are restricted from making any other financial arrangements with any other bank without the prior written consents of the existing lenders with whom we have already entered into financial agreements for secured loans. We cannot assure investors that we will receive such approvals in a timely manner or at all.

Our loan agreements with ICICI Bank Limited include clauses requiring us to make mandatory pre-payments of the outstanding loan amounts under certain specified circumstances. Other loan agreements restrict us from prepaying existing loans availed from other banks or financial institutions without the prior consent of the particular lender or impose prepayment penalties on us. Further, the loan agreements provide that we cannot create any further charge/ encumbrance over the mortgaged property. These restrictive covenants may affect some of the rights of our shareholders. One of our lenders has stated that we have been in breach of a covenant under one of our loan agreements.

Pursuant to our availing project specific loans from certain banks, we have entered into substitution agreements with the bank and the client who has awarded the project to us whereby we have agreed that in the event of any default stipulated under the concerned loan documentation, the project awarded to us can be cancelled and be awarded to a third party as decided by the banks and the relevant client.

In addition, these restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations to pay amounts owed by us under a relevant financing agreement. Such financing agreements may also require us to maintain certain financial ratios. In the event of any breach of any covenant contained in these financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Furthermore, financing arrangements also contain cross default provisions which could automatically trigger defaults under other financing arrangements and certain financing arrangements provide the banks and financial institutions with the right to convert amounts due into equity in the case of default. Certain of these banks and financial institutions also have a right to appoint nominee directors under these financing arrangements. Further, in case of default by the Company, certain lenders will have the right to convert the debt into equity at a time felt appropriate by the lender at a mutually acceptable formula.

Any or all of the above restrictive covenants may not restrict our ability to conduct business and may adversely affect our results of operations and cash flows.

For further details on our financing agreements, see section titled "***Financial Indebtedness***" on page 274.

35. ***Rising interest rates could reduce the profitability of our projects and affect our cash flows and results of operations.***

As our business is capital intensive, we are exposed to interest rate risks. The profitability of our projects is affected by, among other things, the prevailing interest rates. Changes in prevailing interest rates affect our interest expense in respect of our borrowings, and our interest income in respect of our interest on short-term deposits with banks and loans to Joint Venture Companies. Our current debt facilities carry interest at floating rates as well as fixed rates with the provision for periodic reset of interest rates. As of September 30, 2012 our total secured and unsecured borrowings on a consolidated basis amounted to ₹ 23,335.80 million. All of these loans were subject to variable interest rates or variation with reference interest rates.

As of March 31, 2010, 2011 and 2012 the repo rate prescribed by the RBI increased from 5.00% to 6.75% and 8.50% respectively (*Source: www.rbi.org*).

Although we may decide to 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.

36. ***Our business requires a significant amount of working capital. Any failure in arranging adequate working capital for our operations may adversely affect our business, financial condition, cash flows and results of operations.***

We have high working capital requirements, part of which would be met through additional bank borrowings. Moreover, we may need substantial working capital for purchase of raw materials, performance of engineering, construction and other work on projects before payments are received from clients. There can be no assurance that we will be successful in arranging adequate working capital for our operations and any failure in doing so may adversely affect our business, financial condition and results of operations.

37. ***The Company has given guarantees in relation to certain debt facilities provided to our Subsidiaries, Group Companies and our Joint Ventures.***

The Company has provided corporate guarantees in favour of lenders of our Subsidiaries, Group Companies and Joint Ventures. In the event these guarantees are called upon, our business, results of operations and financial condition may be adversely affected. For details, see section titled "***Financial Indebtedness***" on page 274 and for details of our Contingent Liabilities see section titled "***Financial Statements***" on page 240. In the event that any of the guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition, cash flows and results of operation.

38. ***Our Promoters have pledged their Equity Shares with certain lenders. A breach by the borrowers of certain covenants under the lending arrangements may entitle these lenders to exercise their rights under the facility agreements and dilute the shareholding of our Promoters, which may adversely affect our business and prospects.***

Our Promoters Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Yamuna have pledged Equity Shares equivalent to 6.02% of the Equity Share capital of the Company as security for the loans availed of by the Company.

Any default under the financing agreements pursuant to which these shares have been pledged will entitle the lenders to enforce the pledge over these Equity Shares. If this happens, the shareholding of our Promoters may be diluted and we may face certain impediments in taking decisions on certain key, strategic matters. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, cash flows and prospects. Further, any sale of Equity Shares by such lenders may adversely affect the price of our Equity Shares.

39. ***Our Company, Promoters and Group Companies have certain credit facilities that are repayable on demand.***

Our Company, Promoters and Group Companies have availed certain credit facilities that are repayable on demand to the lenders. Such loans may be recalled by the lenders at any time. In the event that the lenders of such loans call in these loans, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Any such unexpected demand for repayment may materially and adversely affect our cash flows, business, financial condition and results of operations. Further, our Promoters have availed of certain unsecured loans.

40. ***Our title and development rights or other interests over land may be subject to legal uncertainties and defects.***

There may be various legal defects and irregularities to the title to the lands that we own, directly or indirectly, and which we may not be able to fully identify, resolve or assess. Prior to any agreement for purchase, we usually verify the history and title of the land based on available documents and information by undertaking a due diligence process. However, there can be no assurance that such documents and information is accurate, authentic or complete. The title of the real property in which we may invest may not be clear or may be in doubt. Our rights or title in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favour of third parties, the absence of conveyance by all right holders or other defects that we may not be aware of. If we do not have, or are unable to obtain, clear title to these lands, and are unable to develop such lands for this reason, our business, cash flows, financial condition and results of operations may be adversely affected.

41. ***If we are unable to protect our trademarks and tradenames, others may be able to use our trademarks and tradenames to compete more effectively.***

Although we have applied to the Registrar of the Trademarks on September 15, 2011 for registration of our corporate name "BSCPL" and our logo, we cannot provide assurance that we will be able to obtain registration of our trademarks in a timely manner, or at all. As a result, we may not be able to prevent the use of our name or variations thereof by any other party, nor ensure that we will continue to have a right to use it, which in turn would have a material adverse effect on our reputation, goodwill, business, financial condition and results of operations.

42. ***Our BOT projects enjoy certain tax benefits and any change in these tax benefits applicable to us may adversely affect our results of operations and cash flows.***

Presently, infrastructure developmental projects including BOT Projects enjoy certain benefits under section 80IA of the Income Tax Act. As a result of these incentives, all our BOT projects are subject to relatively low tax liabilities. Our income tax exemptions for various projects expire at various points of time. There is no assurance that the development projects will continue to enjoy the tax benefits under section 80IA in future. When our tax incentives expire or terminate, our tax expense will materially increase, reducing our profitability and cash flows. Further, the Government could enact laws in the future that may adversely impact our tax incentives and consequently, our tax liabilities and profits. For further details, see section titled "***Statement of Tax Benefits***" on page 112.

43. ***We are an infrastructure construction and development company holding investments in various project companies. Consequently, we are largely dependent on the performance of our project companies.***

We are an infrastructure construction and development company with equity interests in companies that operate various development projects. In addition to revenues from our construction business, our financial condition and results of operations are dependent on the performance of the companies undertaking BOT Projects under Development and the dividends we receive from them. As a result, in the event of non-receipt of dividends from our operating companies, we may have insufficient income to issue dividends to our shareholders or to meet our operating expenses.

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

We require a number of approvals, licenses, registrations and permissions for operating our business,. While we have obtained a number of required approvals for our operations, certain approvals for which we have submitted applications are still pending. For some of the approvals which may have expired, we may have either made or are in the process of making an application for obtaining the approval or its renewal. We have also, in the past, defaulted in making certain regular filings under applicable regulations including FEMA.

We cannot assure you that we will make these applications and filings on time in the future, or whether we shall receive these approvals at all. In the event that we do not receive these approvals, this may affect our business, prospects and results of operations.

For details of the applications that we have made and are pending as on the date of this Draft Red Herring Prospectus, see section titled "***Government Approvals***" on page 336.

Furthermore, our Government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure. If we fail to comply, or a regulator claims we have not complied, with these conditions, our business, financial condition and results of operations would be materially adversely affected. For more information, see section titled "***Government Approvals***" on page 336.

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

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

46. ***Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiaries and the dividends they distribute to us. Our business is capital intensive and we may plan to make additional capital expenditure to complete various projects that we are developing. Our ability to pay dividends is also restricted under certain financing arrangements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our projects, financial condition and results of operations.

47. ***Certain of our Subsidiaries, Joint Venture Companies and Group Companies have incurred losses in the past.***

The following Subsidiaries have incurred losses in the last three years:

(₹in million)

Sl. No.	Name of the Subsidiary		Profit/(Loss) after Tax under the relevant unconsolidated financial statements		Fiscal 2010
			Fiscal 2012	Fiscal 2011	
1	BSC- C&C Kurali Toll Road Limited	Subsidiary	(261.23)	-	-
2	BSCPL Infra Projects Limited	Subsidiary	(0.50)	(0.15)	0.89
3	BSCPL International FZE	Subsidiary	20.87	(16.63)	(3.15)

Sl. No.	Name of the Subsidiary		Profit/(Loss) after Tax under the relevant unconsolidated financial statements		Fiscal 2010
			Fiscal 2012	Fiscal 2011	
4	BSCPL Realty Limted	Subsidiary	-	-	(0.01)

The following joint ventures have incurred losses in the last three years:

(₹ in million)

Sl. No.	Name of the joint venture		Profit/(Loss) after Tax under the relevant unconsolidated financial statements		Fiscal 2010
			Fiscal 2012	Fiscal 2011	
1	BSC-RBM -PATI JV	Joint Venture	(11.27)	88.16	(20.33)
2	BSC-KGLC Consortium Jv	Joint Venture	0.19	(0.04)	(7.82)
3	BSC-C&C JV Nepal Pvt Limited	Joint Venture	(15.46)	(16.71)	(1.62)

They may continue to incur losses in future periods, which may have an adverse effect on our results of operations, cash flows and financial condition.

The following Group Companies have incurred losses in the last three years according to their unconsolidated financial statements:

(₹ in million)

Sl. No.	Name of the Group Company	Profit/(Loss) after Tax under the relevant unconsolidated financial statements		
		Fiscal 2012	Fiscal 2011	Fiscal 2010
1.	Bollineni Developers Limited	(135.41)	(172.11)	(147.55)
2.	Bollineni Casting and Steel Limited	(84.83)	(186.45)	(116.88)
4.	Aishu Dreamlands Limited	(0.54)	(0.06)	(0.81)
5.	Aishu Projects Limited	(1.11)	(14.63)	(14.44)
6.	Chebrolu Hanumaiah and Brothers Private Limited	0.13	(0.24)	(3.81)
7.	Sri BDL Properties Private Limited	(0.01)	(0.01)	(0.01)
8.	BDL Projects Private Limited	(0.02)	(0.01)	(0.01)
9.	Aishu Realtors Private Limited	(0.01)	(0.02)	(0.01)
10.	BDL Arcades Private Limited	(0.02)	(0.03)	(0.0.1)
11.	BDL Avenues Private Limited	(0.02)	(0.02)	(0.01)
12.	BDL Beekay Avenues Private Limited	(0.00)	(0.03)	Nil
13.	BDL Infrastructure Private Limited	(0.01)	(0.01)	(0.01)
14.	DNN Realtors Private Limited	(0.01)	(0.01)	(0.01)
15.	Seenaiah Constructions Private Limited	(0.00)	(0.00)	(0.00)
16.	Sri BDL Dhatri Developers Private Limited	(0.01)	(0.01)	Nil
17.	Sri BDL Dreamlands Private Limited	(0.01)	(0.01)	Nil
18.	Sri BDL Real Estates Private Limited	(0.01)	(0.01)	(0.00)
19.	Sri BK & BS Realtors Private Limited	(0.01)	(0.02)	(0.01)
20.	Sri BKN Estates Private Limited	(0.01)	(0.01)	(0.01)

Sl. No.	Name of the Group Company	Profit/(Loss) after Tax under the relevant unconsolidated financial statements		
		Fiscal 2012	Fiscal 2011	Fiscal 2010
21.	Sri Krishnaiah Property Developers Private Limited	(0.01)	(0.01)	(0.01)
22.	Krishnaiah Pojects Private Limited	(1.11)	(14.63)	(14.44)
23.	BDL Housing Private Limited	(0.12)	N.A.	N.A.

They may continue to incur losses in future periods, which may have an adverse effect on our good will and may divert our focus.

48. ***Our Contingent Liabilities could adversely affect our results of operations, cash flows and financial condition.***

As of September 30, 2012 and Fiscal 2012, we had the following Contingent Liabilities (disclosure pursuant to Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets.") in the section titled "***Financial Statements***" on page 240:

(in ₹ million)

Particulars		As at September 30, 2012	As at March 31, 2012
a)	Claims against the Group not acknowledged as debts on account of joint ventures	322.35	322.88
b)	Claims against the Group not acknowledged as debts	473.41	473.41
c)	Uncalled liability on partly paid up shares	10.00	10.00
d)	Income tax demand arising from disputes not acknowledged as debts	-	-
e)	Entry tax demands arising from disputes not acknowledged as debts	356.75	356.75
f)	Income tax demands of Joint Venture not acknowledged as debts to the extent of our share	114.30	99.43
g)	Sales tax demand arising from disputes not acknowledged as debts	86.93	86.93
h)	Service tax demand arising from disputes not acknowledged a debts	136.25	136.25
i)	Duty Drawback claims arising from disputes not acknowledged as debts	35.12	35.12
j)	Guarantees issued by bankers	10,624.08	10,147.14

If any of aforementioned Contingent Liabilities materialise, our profitability and cash flows may be adversely affected. For further details, see section titled "***Financial Statements***" on page 240.

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

There can be no assurance that we could not have achieved more favorable terms if such transactions had not been entered into with related parties or that we will be able to maintain existing terms, in cases where the terms are more favorable than if the transaction had been conducted on an arms-length basis.

We have in the course of our business entered into, and will continue to enter into, transactions with related parties. For more information regarding our related party transactions, see section titled "***Related Party Transactions***" on page 239.

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

50. ***We are dependent on a number of key personnel, including our senior management, and the loss of or our inability to attract or retain such persons could adversely affect us.***

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, including our present officers. The loss of the services of such persons could have a material adverse impact on our business. We are dependent on other members of our senior management team, including some who have been with us for more than a decade and the loss of the services of some of these individuals could adversely affect us.

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

We have insured against a majority of the risks associated with our business, such as equipment failure, work accidents, fire or explosion. In addition, we have obtained separate insurance coverage for personnel related risks, motor vehicles and loss of movable assets risks Under certain of our contracts, we are required to obtain insurance for the project undertaken by us. While we believe that the insurance coverage which we maintain 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 honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses.

Further, we may not have obtained insurance cover for some of our projects that do not require us to maintain insurance.

Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks and the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could materially and adversely affect our financial condition, cash flows and results of operations. If we are subject to litigation or claims or our operations are interrupted for a sustained period, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. If we suffer a large uninsured loss or if any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition, cash flows and results of operations may be adversely affected. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For further details on insurance arrangements, see section titled "***Our Business– Insurance***" on page 169.

52. ***We incur considerable cost in maintaining the machineries and equipments owned by us for our business. Breakdown or failure of the machineries may result in delay of work and could adversely affect our business, financial condition, cash flows and results of operations.***

We own the machineries used for our work in relation to our projects. Any breakdown or failure of the machineries may delay our work resulting in default under the contracts we have entered into with our clients. We cannot assure that the machineries can be repaired in a timely manner to complete the work. This may adversely affect our business, financial condition, cash flows and results of operations.

Additionally, considerable expenses are incurred in maintaining the machineries and equipments in proper condition and this may adversely affect our results of operations, cash flows and financial condition.

53. ***We do not own our Registered Office and Corporate Office and other premises from which we operate.***

The premises used by our Company as its Registered and Corporate office is leased to our Company through a lease deed dated December 6, 2012. The lease is initially for a period from April 1, 2011 until March 31, 2015 and may be renewed for an additional period of three years at the option of our Company.

There can be no assurance that lease deed will be renewed upon expiry or on terms and conditions acceptable to us. Any failure to renew these lease agreements or procure new premises will increase our costs or force the Company to look for alternative premises which may not be available or which may be available at more expensive prices or on commercially less favorable terms. Any or all of these factors may have a material adverse effect upon our business, results of operations, cash flows and financial condition.

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

We operate in a highly competitive environment and compete against various domestic and foreign development and construction companies. We face the risk that other developers, many of which undertake similar development projects within the same regional markets as us, may be better known in the markets, enjoy better relationships with customers and international joint venture partners, gain early access to information regarding attractive projects, be better placed to bid for and be awarded such projects, bid very aggressively and possess the technical skill, background and experience that we currently may not have. They may also benefit from greater economies of scale and operating efficiencies.

Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. For further information concerning our competitors in specific industry and project segments, see section titled "***Our Business***" on page 147. While many factors affect client decisions, price is a key deciding factor in most of the tender awards.

We may be unable to compete with other development and construction companies for high-value contracts, as many of them may have greater financial resources, economies of scale and operating efficiencies. Increasing competition could result in lesser number of bids being awarded to us and this could cause our business to suffer. In addition, we may not have the required amount of experience or technical know-how in the new areas at business in which we propose to venture. There can be no assurance that we can continue to compete effectively with our competitors in the future, and any such failure may have an adverse effect on our business, financial condition, cash flows and results of operations.

55. ***As we generate income and incur expenses in multiple currencies, exchange rate movements may have a negative effect on our results of operations and cash flows.***

Changes in currency exchange rates influence our results of operations. We report our financial results in Indian Rupees, while some of our total income, expenses and secured borrowings are denominated, generated or incurred in currencies other than Indian Rupees. Some of our total income, expenditures and secured borrowings are denominated in Arab Emirates Dirham and USD. Therefore, a decline in the value of the Indian Rupee against such other currencies would increase the Indian Rupee cost of making such capital expenditures thereby having a negative effect on our results of operations and cash flows.

Further, we have entered into and may, in future, enter into suitable forward contracts or other hedging mechanisms with banks, commodity exchanges and other financial institutions, to hedge risks arising out of foreign currency conversion rates. We cannot assure you that the mechanisms we put in place will be able to effectively and/or adequately cover such losses. Further, we cannot assure you that we would not incur losses pursuant to these hedging mechanisms.

56. ***Sales of our Real Estate Development Business projects will be affected by the ability of our prospective customers to purchase property and availability of financing to potential customers, particularly buyers of residential properties.***

On account of the prevailing conditions of the global and Indian credit markets, it is expected that consumer sentiment and market spending may turn more cautious. Further, changes in interest rates have affected the ability and willingness of prospective customers of residential properties, to obtain financing for the purchase of our Real Estate Development Business project. The interest rate at which our clients may borrow funds for the purchase of our property affect the affordability of our building construction and development project. For instance, several units of our building construction and development project in

Dubai have been sold but we are yet to receive payments for the sold units. On account of the recent economic downturn in Dubai, the customers have been unable to make the payments. These factors may adversely affect our business, future growth, cash flows and results of operations.

57. ***The real estate sector is subject to extensive government regulation.***

The real estate sector in India is heavily regulated by the Government, State Governments and local authorities. Real estate developers need to comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities. Additionally, in order to develop and complete a real estate project, developers must obtain various approvals, permits and licences from the relevant administrative authorities at various stages of project development. Although we believe that our projects are in compliance with applicable laws and regulations, there could be instances of non-compliance, which may subject us to regulatory action in the future, including penalties, seizure of land and other legal proceedings.

Press Note 2 of 2005, read along with the Consolidated FDI Policy, effective April 10, 2012, issued by the Department of Industrial Policy & Promotion ("**DIPP**") permitted foreign direct investment ("**FDI**") into the built up infrastructure and construction-development projects under the hundred percent automatic route, subject to certain entity level as well as project level restrictions intended to curb speculative trading in real estate. Going forward, we may be forced to limit the real estate projects we undertake to projects which comply with these restrictions. This may limit the types of projects that we may be able to take up in future.

For further details on the applicable regulations and policies to our Real Estate Development Business, see section titled "***Regulations and Policies***" on page 173.

58. ***Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, financial condition and results of operations.***

As a development and construction company, we are required to comply with various laws and regulations relating to the environment. Some of our project operations are subject to environmental laws and regulations including the EPA, the Air Act, the Water Act and other regulations promulgated by the Ministry of Environment and Forest and the pollution control boards of the relevant states in which we operate. We may incur substantial costs in complying with environmental laws and regulations. There can be no assurance that compliance with such laws and regulations will not result in completion delays or material increases in our costs or otherwise have an adverse effect on our financial condition, cash flows and results of operations.

Although environmental laws and regulations in India are not as extensive as they are in some countries, we believe environmental regulation of industrial activities in India will become more stringent in the future. The scope and extent of new environmental regulations, including their effect on our operations and cash flows, cannot be predicted with certainty. The costs and management time required to comply with these requirements could be significant. The measures we implement in order to comply with these new laws and regulations may not be deemed sufficient by Government authorities and our compliance costs may significantly exceed our estimates. If we fail to meet environmental requirements, we may also be subject to administrative, civil and criminal proceedings by Government authorities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as orders that could limit or halt our operations. For further details on environmental regulations applicable to us, see section titled "***Regulations and Policies***" on page 173.

59. ***Our operations are subject to physical hazards and similar risks that could expose us to material liabilities, loss in revenues, increase in cash outflows and increased expenses.***

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always anticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons.Additionally, our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Although we have taken insurance coverage to reduce the damage or losses (if any) from such circumstances, we cannot assure you that we will not bear any liability as a result of these hazards. There can also be no assurance that the contractors and sub-contractors hired by us for various activities have sufficient insurance coverage to cover all material mishaps which may arise while carrying on activities on our behalf.

Under applicable accounting standards, construction companies are required to recognize, in the respective accounting period, potential losses that may be incurred in the foreseeable future. These liabilities and costs, if any, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We may also be subject to claims resulting from defects arising from engineering, procurement and/or construction services provided by us within the warranty or defects liability periods stipulated in our contract. Actual or claimed defects in equipment procured and/or construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective. Under applicable accounting standards, construction companies are required to recognize, in the respective accounting period, potential losses that may be incurred in the foreseeable future. These liabilities and costs, if any, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

60. ***The cost of implementing new technologies in the construction industry could be significant and could adversely affect our results of operations, cash flows and financial condition.***

Our business requires us to keep pace with technological advances. Our future success will depend in part on our ability to respond to technological advances and emerging unduly standards and practices on a cost-effective and timely basis In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures and/or write-downs of assets. The cost of implementing new technologies could be significant and could adversely affect our financial condition and results of operations.

Further, while the Government has prescribed manuals for construction of roads we may at times not always be able to comply with such stipulations in which case we maybe in breach of such conditions and may have to seek the approval of the Government.

61. ***Our business is subject to seasonal and other fluctuations that may affect our cash flows and business operations.***

Our business and operations are affected by seasonal factors, which may require the evacuation of personnel, suspension or curtailment of operations, result in damage to construction sites or delays in the delivery of materials. In particular, the monsoon season in the second quarter of each Fiscal Year may restrict our ability to carry on activities related to our projects and fully utilize our resources. This may result in delays to our contract schedules and reduce our productivity. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses but our project related activities may be delayed or reduced. Additionally, traffic volumes witness a decrease during the monsoon. Such fluctuations may adversely affect our cash flows and business operations related to the toll roads operated and managed by us.

62. ***We and certain of our Group Companies have delayed or have not made certain regulatory filings and we may be liable to pay penalty for such delay.***

The Company has in the past delayed in filing, or omitted to file certain regulatory filings including certain filings required pursuant to foreign exchange control regulations and delayed the payment of certain statutory dues. Certain of our Group Companies including Traditional Bharat Kala Arts & Crafts have not made the statutory filings with the relevant authorities in the last few years. Such delay in filing which might have resulted in contravention of the relevant statutory provisions and the Company and the relevant Group Companies may be liable respectively to pay penalty pursuant to the same. This may have adverse effects on our financial condition, cash flows and goodwill.

63. ***Our employee attrition rate may increase to a level where we are not able to sustain our deliverables at a given point of time.***

We believe we pay competitive compensation package and benefits to our employees. However, given the increasing wage levels and the increased competition for professionally qualified staff in India, we cannot assure you that our employee attrition rate will not increase to an unsustainable level or that we will be able to attract, recruit and retain experienced professionals to replace the professionals leaving at that particular point of time.

Risks relating to the Issue and an Investment in our Equity Shares

64. ***We are may allot Equity Shares and our Selling Shareholders may transfer their shareholding at a price lower than the Issue Price before listing of the Equity Shares issued pursuant to the Issue.***

We may consider a placement of Equity Shares up to ₹ 2,000 million to certain investors prior to filing of the Red Herring Prospectus with RoC and our Selling Shareholders may also consider transferring a part of their Shareholding and the said allotment and/or transfer may be at a price lower than the Issue Price. For further details, see section titled "***Capital Structure***" on page 89.

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

We intend to use the net proceeds of the Issue as described in the section titled *"**Objects of the Issue**"* on page 102. We have not entered into definitive agreements to utilize certain portions of the net proceeds of the Issue. The purposes for which the net proceeds of the Issue are to be utilized have not been appraised by any independent entity and are based on our internal management estimates. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations, exchange rates or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board of Directors.

66. ***The deployment of the Net Proceeds is at the discretion of the Issuer and is not subject to any monitoring by any independent agency.***

Since our Fresh Issue size is less than ₹5,000 million, we are not required to appoint a monitoring agency under the SEBI Regulations. Hence, deployment of Net Proceeds will be at the discretion of our Company and is not subject to any monitoring by any independent agency. We cannot assure you that we will be able to conduct our affairs in the manner similar to that of the monitoring agency.

67. ***Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders.***

The Issue consists of the Fresh Issue by the Company and an Offer for Sale by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders.

68. ***The requirements of being a public listed company may strain our resources and distract management.***

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 listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted 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, our 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 as timely a manner as other listed companies. In addition, we may need to increase the strength of our management team and hire additional legal and accounting staff with appropriate experience in a public listed company and accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

69. ***Our Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for our Equity Shares. Further, the price of the Equity Shares may be highly volatile after the Issue or an active trading market for the Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship with the market price of the Equity Shares after the Issue.

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and the perception in the market about investments in the infrastructure industry, adverse media reports on us or the Indian infrastructure industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

70. ***Any future issuance of Equity Shares may dilute investor's shareholding and sales of the Company's Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by the Company, including in a primary offering, may lead to the dilution of investors' shareholdings in the Company. Any future equity issuances by the Company or transfer of Equity Shares held by the Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Company's Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

71. ***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.***

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

72. ***You will not be able to immediately sell any of the Equity Shares you purchase in the Issue on an Indian Stock Exchange.***

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 two Working 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 12 Working Days of the Bid/Issue Closing date. We cannot assure you 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. Any failure or delay in obtaining the approval may restrict your ability to dispose of your Equity Shares as allotted.

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

In accordance with Indian law and practice, approval for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval will require all other relevant documents authorising the issuing of our Equity Shares to be submitted to the stock exchanges. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges.

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

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

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

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

Sale of Equity Shares by any holder may give rise to tax liability in India, as discussed in the section titled "***Statement of Tax Benefits***" on page 112.

External Risks

Risks associated with Investment in India

77. ***Significant differences exist between Indian GAAP and other accounting principles such as U.S. GAAP and IFRS, which may be material to prospective investors' assessment of our financial condition, results of operations and cash flows.***

We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Financial Statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see section titled "***Presentation of Financial, Industry, Market Data***" on page 18. Accordingly, the degree to which the Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices and policies. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

78. ***The continuation or recurrence of systemic events such as the recent global economic meltdown, instability of economic policies and the political situation in India or globally may adversely affect our performance.***

Conditions outside India, such as continued slowdowns in the economic growth of other countries may adversely impact the growth of the Indian economy, and Government policy may change in response to such conditions. The consequent slowdown in the Indian economy may adversely affect our business, including our ability to implement our business strategy. The current economic policies of the Government may change further to respond to the recent global economic meltdown or a recurrence thereof. Particularly, there may be changes to specific laws and policies affecting the industry and other policies affecting foreign investment in our business. Any significant shift or change in India's economic policies and regulations may disrupt economic conditions in India and this may in turn affect our business, financial condition and results of operations. Our business, and the market price and liquidity of our Equity Shares, may be affected by reactionary changes in interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India on account of any changes in the global economic changes. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries. Financial turmoil in Asia, the United States, 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. The recent global economic downturn had a severe impact on the Indian equity markets. The Indian stock exchanges experienced significant volatility, with the BSE index declining by almost 50.0% over the second half of 2008 and early part of 2009. A loss in investor confidence in the financial systems of other markets may increase volatility in Indian financial markets and, indirectly, in the Indian economy in general, thereby adversely affecting our business, financial condition, cash flows and results of operations.

79. ***Demand for our services in India depends on domestic and regional economic growth.***

The infrastructure development business is dependent on the level of domestic, regional and global economic growth, international trade and consumer spending. The rate of growth of India's economy and of the demand for infrastructure services in India may fluctuate over the years. During periods of strong economic growth, demand for such services may grow at a rate equal to, or even greater than, that of the GDP. Conversely, during periods of slow GDP growth, such demand may exhibit slow or even negative growth. Global economic developments have adversely affected the Indian economy. The real estate industry is also experiencing a significant downturn. There can be no assurance that future fluctuations in economic or business cycles, or other events that could influence GDP growth, will not have a material adverse effect on our business, cash flows and results of operations.

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

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. The erratic progress of a monsoon would also adversely affect sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

81. ***Political instability or changes in the government could delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact our financial results and prospects***

We are incorporated in India and majority of our assets are located in India. We derive a major portion of our income from our business in India. Consequently, our performance, the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments in and affecting India.

In the early 1990s, India experienced significant inflation, low growth in gross domestic product and shortages of foreign currency reserves. Since 1991, the Indian government has pursued policies of economic liberalization, including providing significant tax incentives and relaxing certain regulatory restrictions, in order to encourage foreign investment in specific industries. We cannot assure you that liberalization policies will continue. Furthermore, the rate of economic liberalization could change, and specific laws and policies affecting technology companies, foreign investment, currency exchange rates and other matters affecting investment in our Equity Shares could also change. Since 1996, the government of India has changed numerous times. Currently and in the past, the central government has been a coalition of several political parties. Various factors, including a collapse of the present coalition government due to the withdrawal of support of coalition members, could trigger significant changes in India's economic liberalization and deregulation policies, disrupt business and economic conditions in India generally and our business in particular. A prolonged economic slowdown, significant inflation and local and national economic conditions could hurt our operations and therefore affect our results and cash flows.

82. ***Terrorist attacks, civil unrest and other acts of violence or war involving India, South Asia and other countries could adversely affect the financial markets and our business.***

Certain events that are beyond our control, including terrorist attacks and other acts of violence in India, South Asia or other countries, may adversely affect the Indian and worldwide financial markets and may result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations, cash flows, financial condition and prospects. Increased volatility in the financial markets, including economic recession, can have an adverse impact on the economies of India and other countries. In addition, South Asia has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Events of this nature in the future, as well as social and civil unrest within other countries in South Asia, could influence the Indian economy by disrupting communications and making travel and transportation more difficult.

India has also experienced social unrest, communal disturbances and riots in some parts of the country during recent times. Such political and social tensions could create a perception that investments in Indian companies involve greater degrees of risk. These hostilities and tensions could lead to political or economic instability in India and a possible adverse effect on the Indian economy, our business, cash flows, financial performance and the trading price of the Equity Shares.

83. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.***

According to the weekly statistical supplement released by the RBI, India's foreign exchange reserves totaled approximately US $ 15,827.80 billion as of February 22, 2013 (*Source: Reserve Bank of India http://rbidocs.rbi.org.in/rdocs/Wss/PDFs/02T_S220213.pdf*). A decline in India's foreign exchange reserves could impact the valuation of the Rupee and result in reduced liquidity and higher interest rates, which could adversely affect our future financial condition. On the other hand, high levels of foreign funds inflow could add excess liquidity to the system, leading to policy interventions, which would also allow slowdown of economic growth. Either way, an increase in interest rates in the economy following a decline in foreign exchange reserves could adversely affect our business, prospects, results of operations, cash flows, financial condition and the trading price of the Equity Shares.

84. ***Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors and pay dividends to foreign investors, which may adversely impact the market price of our Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements, or falls under any of the prescribed exceptions, the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection/tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all. Also, FDI up to 100% is permitted under the automatic route in projects for construction and maintenance of roads, highways, vehicular bridges, toll roads, vehicular bridges and ports and harbors. Further, subject to certain conditions and guidelines, the Industrial Policy and FEMA further permit up to 100% FDI in built-up infrastructure and construction development projects which include, but are not restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities and city and regional level infrastructure. Any diversification in the activities carried on may require us to phase out some or all of our foreign investment.

85. ***An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could adversely affect our business.***

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concern, such as swine influenza, could have a negative impact on the global economy, financial markets and business activities worldwide, which could adversely affect our business, financial condition, cash flows, results of operations and the price of our Equity Shares. Although, we have not been adversely affected by such outbreaks in the past, we can give you no assurance that a future outbreak of an infectious disease among humans or animals or any other serious public health concerns will not have a material adverse effect on our business, financial condition, cash flows, results of operations and the price of our Equity Shares.

86. ***Companies operating in India are subject to a variety of GoI and state government taxes and surcharges.***

Tax and other levies imposed by the GoI and the 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. The effective statutory corporate income tax in India is currently 33.2%. The GoI or the state government may in future increase the corporate income tax 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, cash flows and results of operations. Further, in the past, there have been instances where changes in the Income Tax Act have been made retrospectively and to that extent, there cannot be an assurance that such retrospective changes will not happen again. Retrospective tax exposure could also adversely affect our business, cash flows and results of operations

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

Our Articles of Association, the Companies Act and other Indian law govern our corporate affairs. Legal principles related 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 shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

88. ***Investors may not be able to enforce a judgment of a foreign court against us.***

We are a limited liability company incorporated under the laws of India. Substantially all of the directors and executive officers named herein are residents of India and a substantial portion of its assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India or enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgment is provided for under Section 13 and Section 44A of the Civil Procedure Code on a statutory basis. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon 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 refusal to recognize the law of India in cases to 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; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

Section 44A of the Civil Procedure Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties.

The United Kingdom, Singapore and Hong Kong have been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. The suit must be brought in India within 3 years from the date of 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 judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy. 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.

89. ***Our business and activities will be regulated by the Competition Act and any application of the Competition Act to us could have a material adverse effect on our business, financial condition, cash flows and result of operations.***

The Competition Act is designed to prevent business practices that have an appreciable adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement which directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have an appreciable adverse effect on competition. Provisions of the Competition Act relating to combinations (i.e. acquisitions, mergers or amalgamations of enterprises) that meet certain asset or turnover thresholds and the regulations notifying the procedures in relation to such combinations, including notification requirements, have recently come into force. Further, acquisitions, mergers or amalgamations by us may require the prior approval of the Competition Commission of India, which may not be obtained in a timely manner or at all. Further, if it is proved that the contravention 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 contravention and liable to be punished.

The effect of the Competition Act on the business environment in India is unclear. If we are affected, directly or indirectly, by any provision of the Competition Act, or its application or interpretation, including any enforcement proceedings initiated by the Competition Commission and any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission, it may have a material adverse effect on our business, cash flows, financial condition and results of operations.

90. ***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, cash flows, business and financial performance.

Prominent Notes:

1. Issue of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 6,500 million consisting of a Fresh Issue of up to [●] Equity Shares aggregating to ₹ 3,500 million by the Company and an Offer for Sale of [●] Equity Shares by the Selling Shareholders aggregating up to ₹ 3,000 million. The Issue shall constitute [●] % of the fully diluted post issue paid-up equity share capital of the Company.

2. The Issue is being made pursuant to Regulation 26(1) of the SEBI Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion 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% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation in accordance with SEBI Regulations to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

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

4. The Net Worth of the Company was ₹ 7,376.85 million on a restated consolidated basis and ₹ 7,605.06 million on a restated unconsolidated basis as of September 30, 2012.

5. The Net Asset Value per Equity Share was ₹ 296.77 on a consolidated basis and ₹ 305.95 on a unconsolidated basis as of September 30, 2012, as per our restated consolidated and restated unconsolidated financial statements. For further details, see section titled "***Financial Statements***" on page 240.

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

Name of the Promoter	Average cost of acquisition of the Equity Shares*
Bollineni Krishnaiah	Nil
Bollineni Seenaiah	₹ 3.13 per Equity Share
Bollineni Sujatha	₹ 4.47 per Equity Share
Bollineni Yamuna	Nil

**Source: Based on the certificate received from Anjaneyulu & Co, Chartered Accountants, dated March 4, 2013*

7. The Company has not issued any Equity Shares at a price lower than the Issue Price during the preceding one year. For details of the Group Companies having business interests or other interests in the Company, see sections titled "***Our Promoters and Promoter Group***" and "***Group Companies***" on pages 210 and 224 and details on related party transactions see section titled "***Related Party Transaction***" on page 239.

8. For details of Related Party Transactions by the Company with its Subsidiaries, or Incorporated Joint Ventures during the last Fiscal, see section titled "***Related Party Transactions***" on page 239.

9. The Company was originally constituted as a partnership firm on May 11, 1983 under the Indian Partnership Act, 1932 under the name and style of B. Seenaiah & Company. The partnership firm was converted to a limited company under the name, B. Seenaiah & Company (Projects) Limited on March 31, 1998, under the Companies Act, 1956 and obtained the certificate of commencement of business on April 3, 1998 from the RoC. The name of the Company was changed to BSCPL Infrastructure Limited pursuant to a fresh certificate of incorporation dated July 14, 2008 issued by the RoC. The aforesaid change was made to the name to shorten the erstwhile name of the Company.

10. The Registered Office of the Company was changed on January 9, 2012, to 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India.

11. For changes in the objects clause of the Memorandum of Association in this respect, see section titled "***History and Corporate Matters***" on page 184.

There are no financing arrangements whereby the Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of the 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 Draft Red Herring Prospectus with SEBI.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The Indian Economy

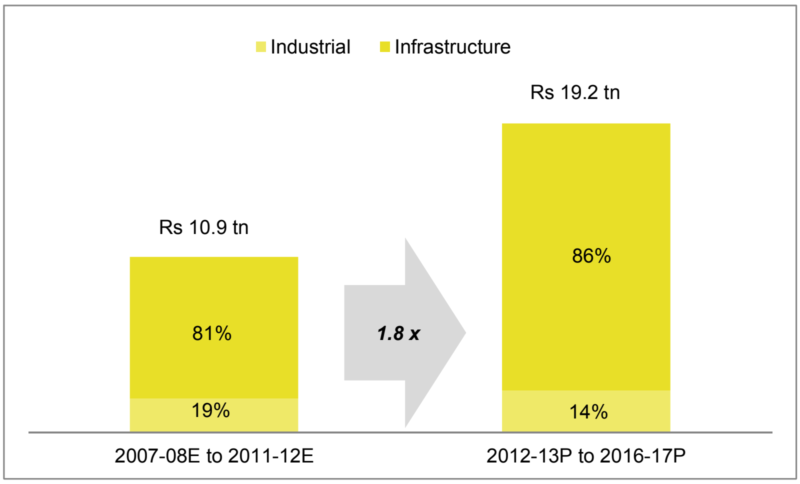
India, had a population of over 1,205 million people and a GDP of approximately US$ 4.735 trillion in 2012 on purchasing power parity ("**PPP**") basis, this makes it the fourth largest economy in the world on PPP basis after the European Union, the United States, and China, according to the CIA World Factbook (2012). The Indian economy has emerged with remarkable rapidity from the slowdown caused by the global financial crisis of 2007-09 with growth in 2010-11 at 9.3% by the Revised Estimates released on January 31, 2013. Growth has been estimated at 6.2% in 2011-12 as per the Revised Estimates and 5.0% in 2012-2013 as per the Advanced Estimates released on February 7, 2013 by the Centers Statics Office.

Globally, the momentum of recovery appears to be stalling. high oil and commodity prices, the Middle East political strife, the Japanese earthquake, sovereign debt problems in the Euro zone and the impasse on the fiscal and debt problems in the United States of America have taken a toll on economic activity and business as well as consumer confidence.

Growth of the Construction Industry in India

It is estimated that the total construction opportunity (industrial and infrastructure) during Fiscal 2013-2017 shall be ₹19.20 trillion, 1.8 times of construction opportunity in Fiscal 2008-2012.

Total construction opportunity (actual prices)

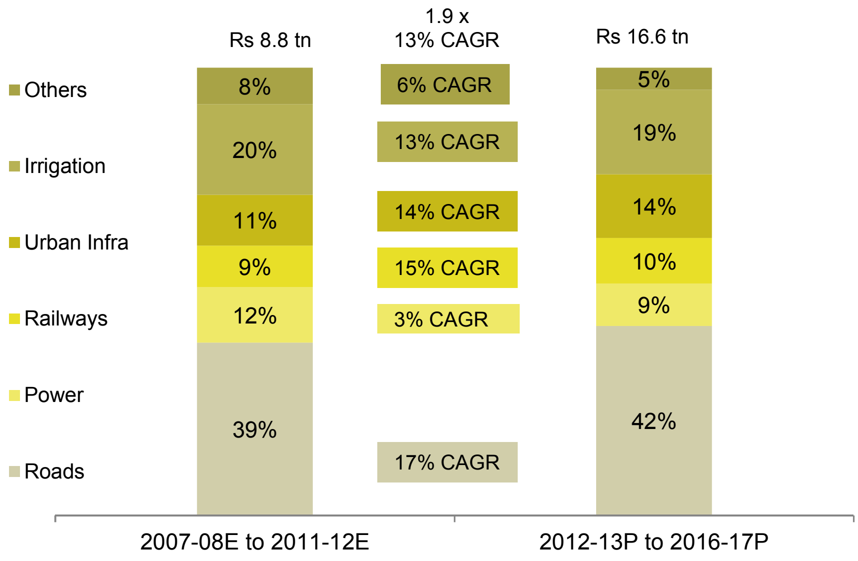


Source: CRISIL Research Construction Annual Review, October 2012

The growth in construction investments will be driven by investments in the infrastructure segment and the share of the infrastructure segment in the total construction investments is expected to increase to 86% in Fiscal 2013-2017 as compared to 81% during Fiscal 2008-2012. This will be led by the central government's focus on infrastructure development particularly in the roads, urban infrastructure and irrigation segments. In the industrial segment, growth in opportunity is expected to be low owing to slower expansion plans in key segments such as oil & gas, metals and automobiles.

CRISIL Research estimates a construction opportunity of ₹ 16,578 billion in the infrastructure segment to accrue over the next five years. In infrastructure, roads, irrigation and urban infrastructure are estimated to be the largest contributors with over 75 per cent share. The road sector is estimated to be the largest contributor to the construction opportunity. (*CRISIL Research Construction Annual Review, October 2012*)

Construction opportunity from the infrastructure segment (actual prices)



P: Projected

Source: CRISIL Research Construction Annual Review, October 2012

CRISIL Research expects a construction opportunity of ₹2,593 billion in the industrial segment over the next five year period. In the industrial construction segment, the oil and gas sector will be the primary growth driver with an estimated share of 60%.

SUMMARY OF OUR BUSINESS

Overview

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects, including highways. As part of our construction business ("**Construction Business**") we provide services including engineering, procurement and construction ("**EPC**") services on a fixed-sum turnkey basis as well as on an item rate basis for various infrastructure projects including projects relating to roads, airport runways, railways, transmission lines, irrigation and building construction. As part of our development business ("**Development Business**"), we develop road projects on a "Build, Operate and Transfer" basis ("**BOT**"), operate them during the concession period on toll or annuity basis and subsequently transfer the projects to NHAI. We are also currently developing and constructing residential building projects both in India and Dubai ("**Real Estate Development Business**").

Construction Business

Our Construction Business involves providing construction services for:

a. Roads, where we engage in the construction, realignment, widening, strengthening, rehabilitation and upgrading of roads;

b. airport runways, where we construct taxi tracks, aprons and provide visual lighting aids with apron lights;

c. railways, where we engage in the designing, construction and other related infrastructural works for a dedicated freight corridor;

d. transmission lines, where we engage in piling work;

e. irrigation projects, where we engage in design and construction of barrages, dam excavation of link canals and other irrigations facilities; and

f. building construction.

As of December 31, 2012 we have completed 308 construction contracts ("**Completed Construction Contracts**") under our Construction Business portfolio. The 308 Completed Construction Contracts under our Construction Business portfolio, involve constructing, improving, widening, strengthening of existing two lane and four lane carriageways and rehabilitation of four - six lane highways. Additionally, the Completed Construction Contracts also include modernisation of airport runways.

As of December 31, 2012 our Construction Business portfolio comprises of 21 Projects under Construction which also includes EPC contracts for BOT Projects being developed under our Development Business. Our Projects under Construction, involve construction, widening, strengthening and/or rehabilitation of two lane, four lane and six lane highways, design and construction of railway projects, piling work for transmission lines, construction of irrigation projects and building construction projects.

Our Order Book aggregated ₹ 38,821.88 million as of December 31, 2012 of which ₹ 35,269.04 million of orders are related to our roads, railways, transmission and other projects on fixed-sum turnkey and item rate basis; ₹ 2,243.06 million of orders are related to our irrigation project; and ₹ 1,309.78 million are related to our building construction projects.

Development Business

Our Development Business involves two laning, four laning and six laning of roads and highways on BOT basis.

As of December 31, 2012, we have completed two BOT projects ("**Completed BOT Projects**") through joint ventures, namely the Jaipur - Kishangarh Project and the Kurali -Kiratpur Project. These projects involved widening and rehabilitation of existing two lane highways to six lane divided carriageways.

We transferred our interest in the Jaipur - Kishangarh Project to GVK Infrastructure Holdings Private Limited in Fiscal 2007.

Our Development Business includes the following BoT Projects under Development:

Sl. No	Name of the developing Subsidiary/JV SPV	Equity Shareholding* as of February 22, 2013	Annuity /Toll basis	Details of the project	Concession Period
1.	Simhapuri Expressway Limited	BIPL 49.00% and KMC Infratech Limited 51.00%	Toll	Six laning of Chilkaluripet - Nellore section of NH-5 from kilometre 1,182.80 to 1,366.54 in the State of Andhra Pradesh.	30 years
2.	BSCPL Aurang Tollway Limited	Company 51.00% and BIPL 49.00%	Toll	Four laning of Chattisgarh/Orissa border - Aurang section from kilometre 88.00 to 239.00 on NH-6 in the State of Chhattisgarh.	28 years
3.	BSCPL Godhra Tollways Limited	BIPL 100.00%	Toll	Four laning of Godhra to Gujarat/Madhya Pradesh border section of NH -59 from kilometre 129.30 to 215.90 in the State of Gujarat.	27 years
4.	Patna Bakhtiyarpur Tollway Limited	Company 29.34%, BIPL 27.08%, C&C Constructions 22.66% and C&C Projects Limited 20.92%	Toll	Four laning of Patna - Bakhtiyarpur section of NH - 30 from kilometre 181.30 to 231.95, in the State of Bihar.	18 years
5.	North Bihar Highway Limited	Company 15.23%, BIPL 23.54%, C&C Constructions 31.84% and C&C Projects Limited 29.39%	Annuity	Two laning of Muzaffarpur - Sonbarsa section of NH -77 from kilometre 2.8 to 89.00, in the State of Bihar.	20 years
6.	Mokama - Munger Highway Limited	Company 28.63%, BIPL 31.87%, C&C Projects Limited 18.96% and C&C Constructions 20.54%	Annuity	Two laning with paved shoulders of Mokama - Munger section of NH - 80 from kilometre 1.43 to 70.00 in the State of Bihar.	15 years

*The above percentage of shareholding for each of the JV SPVs is as on February 22, 2012 and not as envisaged in the respective shareholders agreement. For additional information on present shareholding and envisaged percentage of shareholding as per the shareholders agreement, see section titled **"*History and Certain Corporate Matters*"** on page 184.

Real Estate Development Business

We also develop and construct residential building projects. As part of our Real Estate Development Business we are undertaking construction and development of residential dwelling units in Chennai since Fiscal 2008. In Fiscal 2006 we incorporated a wholly owned subsidiary in Dubai, BSCPL International FZE, to undertake real estate development activities in Dubai. We have two ongoing projects, discussed herein below;

(i) *Bollineni Hillside Project* - This project involves the development of an integrated township at Perumbakkam - Chithalapakkam, Chennai. The project is being constructed in two phases. The total developable area ("**Developable Area**") of the Phase I project is 2.19 million sq. ft. As of the date of this

Draft Red Herring Prospectus, we are expecting Phase I of the project to be completed by September 2013. We intend to develop Phase II of the said project; however we have not applied for any approvals or sanction as on date of this Draft Red Herring Prospectus.

(ii) *Arena Apartments Project* - This project involves the development of a multi-storied building on approximately 53,035.94 sq.ft. of land located at Dubai Sports City, Dubai. This project is being carried out through Green Desert Ventures Limited, a subsidiary of our wholly owned subsidiary BSCPL International FZE. As of December 31, 2012, BSCPL International FZE held 70.00% and Algaith Building Construction Company LLC held the remaining 30.00% equity share capital in Green Desert Ventures Limited. The total developable area and saleable area of the project is 201,163.00 sq.ft and 156,837.46 sq. ft. respectively.

SUMMARY FINANCIAL INFORMATION

*The following tables set forth summary financial information derived from our restated unconsolidated Financial Statements as at and for the six months ended September 30, 2012 and as at and for the Fiscal years ended March 31, 2012, 2011, 2010, 2009 and 2008 and our restated consolidated financial statements as at and for the six months ended September 30, 2012 as at and for the years ended March 31, 2012, 2011, 2010, 2009 and 2008. The summary financial information presented below should be read in conjunction with our restated unconsolidated and consolidated Financial Statements, the notes thereto and the section titled "**Management's Discussion and Analysis of Financial Conditions and Results of Operations**" on page 241.*

Restated Unconsolidated Summary Statement of Assets and Liabilities

(₹ in million)

	Particulars	As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
A.	**Non-current assets**						
	Fixed assets						
	Tangible assets	3,227.05	3,167.50	2,659.19	2,852.68	3,000.71	2,053.59
	Capital work-in-progress	89.21	37.41	523.82	382.22	590.04	724.00
	Non-current investments	8,769.15	7,910.07	6,153.18	3,255.55	2,286.09	1,668.83
	Long-term loans and advances	2,834.65	1,475.65	1,572.61	826.98	490.69	246.19
	Trade receivables	165.87	181.45	245.76	509.99	304.98	68.38
	Other non-current assets	2,464.81	2,411.39	2,164.30	1,721.32	862.18	841.05
		17,550.74	**15,183.47**	**13,318.86**	**9,548.74**	**7,534.69**	**5,602.04**
B.	**Current assets**						
	Current investments	0.87	1.13	1.50	2.68	1.38	2.21
	Inventories	2,646.94	3,040.54	2,990.22	2,961.90	2,746.03	2,024.61
	Trade receivables	898.36	709.53	739.60	736.81	825.82	371.48
	Cash and bank balances	233.67	421.56	568.73	355.56	378.58	506.71
	Short-term loans and advances	733.47	434.10	552.61	1,222.02	1,154.92	1,096.91
	Other current assets	357.44	285.56	178.63	220.27	164.13	95.81
		4,870.75	4,892.42	5,031.29	5,499.24	5,270.86	4,097.73
C.	**Total assets (C=A+B)**	**22,421.49**	**20,075.89**	**18,350.15**	**15,047.98**	**12,805.55**	**9,699.77**
D.	**Non-current liabilities**						
	Long-term borrowings	2,762.68	2,545.72	3,387.55	1,420.73	974.24	1,372.03
	Deferred tax liabilities (net)	113.67	131.37	208.04	264.50	279.41	248.95
	Other Non Current Liabilities	1,405.15	867.46	1,513.41	-	163.67	551.13
		4,281.50	**3,544.55**	**5,109.00**	**1,685.23**	**1,417.32**	**2,172.11**
E.	**Current liabilities**						
	Short-term borrowings	4,513.26	3,928.44	3,514.43	3,771.38	1,300.15	761.88
	Trade payables	1,118.26	809.74	495.79	857.70	796.96	475.26
	Other current liabilities	4,837.27	4,703.64	2,629.33	2,670.99	4,024.04	1,422.76
	Short-term provisions	66.14	56.16	21.84	18.81	5.86	8.75
		10,534.93	**9,497.98**	**6,661.39**	**7,318.88**	**6,127.01**	**2,668.65**
F.	**TOTAL (F=D+E)**	**14,816.43**	**13,042.53**	**11,770.39**	**9,004.11**	**7,544.33**	**4,840.76**
	Net Worth (C-F)	**7,605.06**	**7,033.36**	**6,579.76**	**6,043.87**	**5,261.22**	**4,859.01**
	Net Worth represented by Shareholders' funds						
G.	Equity share capital	248.57	248.57	248.57	124.29	124.29	124.29
H.	Reserves and surplus						
	Securities premium	1,942.89	1,942.89	1,942.89	2,067.18	2,067.18	2,067.18
	General Reserve	1,265.56	1,265.56	1,265.56	1,265.56	1,182.71	1,180.47

Debenture redemption reserve	-	-	-	-	82.85	-
Housing project reserve	-	-	-	-	-	2.24
Statement of Profit and loss	4,148.04	3,576.34	3,122.74	2,586.84	1,804.19	1,484.83
Total Reserves and surplus	**7,356.49**	**6,784.79**	**6,331.19**	**5,919.58**	**5,136.93**	**4,734.72**
Net Worth (G+H)	**7,605.06**	**7,033.36**	**6,579.76**	**6,043.87**	**5,261.22**	**4,859.01**

Restated Unconsolidated Summary Statement of Profit and Loss

(₹ in million)

Particulars	For the six months ended September 30,	Year ended March 31,				
	2012	2012	2011	2010	2009	2008
Revenue from Operations						
Revenue from construction contracts	3,973.38	4,715.34	3,078.12	6,863.29	4,844.11	3,395.74
Revenue from Real estate development	1,065.75	2,032.53	1,573.36	-	-	-
Revenue from maintenance contract	245.33	114.75	-	-	-	-
Sale of metals	33.04	74.62	183.90	231.08	378.64	231.76
Revenue from operations (net)	**5,317.50**	**6,937.24**	**4,835.38**	**7,094.37**	**5,222.75**	**3,627.50**
Other income	121.55	203.07	320.83	412.70	295.00	332.31
Total (I)	**5,439.05**	**7,140.31**	**5,156.21**	**7,507.07**	**5,517.75**	**3,959.81**
Expenses:						
Cost of raw material and components consumed	1,720.15	1,579.22	1,615.44	3,240.40	2,181.06	1,574.26
(Increase)/decrease in inventories of work-in-progress, real estate under development and finished goods	262.72	52.44	60.34	(496.66)	(695.62)	(418.39)
Subcontract expenses	487.45	989.82	439.48	750.90	812.55	453.19
Employee benefits expense	488.74	884.42	654.44	728.67	652.70	410.06
Other expenses	1,148.50	1,739.70	1,087.22	1,611.73	1,533.44	1,148.10
Total (II)	**4,107.56**	**5,245.60**	**3,856.92**	**5,835.04**	**4,484.13**	**3,167.22**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)	**1,331.49**	**1,894.71**	**1,299.29**	**1,672.03**	**1,033.62**	**792.59**
Depreciation and amortization expense	258.99	504.01	455.22	432.82	318.84	229.86
Finance costs	593.40	1,162.21	912.40	767.18	532.16	325.49
Restated profit before tax	**479.10**	**228.49**	**(68.33)**	**472.03**	**182.62**	**237.24**
Tax expenses/ (credit)						
Current tax	175.52	155.49	23.85	178.99	48.83	75.45
Deferred tax	(17.70)	(76.67)	(56.46)	(14.91)	30.46	(11.41)
Total tax expense	**157.82**	**78.82**	**(32.61)**	**164.08**	**79.29**	**64.04**

Restated Profit after tax	**321.28**	**149.67**	**(35.72)**	**307.95**	**103.33**	**173.20**
Company's share in profit of integrated joint ventures (net) after tax	250.42	303.93	571.62	474.70	298.88	291.42
Restated Profit	**571.70**	**453.60**	**535.90**	**782.65**	**402.21**	**464.62**

Restated Unconsolidated Summary Statement of Cash Flows

(₹ in million)

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
A. Cash flow from operating activities						
Profit before tax and share in profits of integrated joint ventures	479.10	228.49	(68.33)	472.03	182.62	237.24
Adjustments for:						
Depreciation and amortization	258.99	504.01	455.22	432.82	318.84	229.86
Impairment loss on fixed assets	-	35.42	-	-	-	-
Fixed assets written off	-	-	-	10.90	-	-
Loss/ (Profit) on sale of fixed assets	0.12	5.69	(1.05)	1.45	0.85	1.52
Bad debts/Advances written off	0.57	24.35	11.33	1.08	10.68	38.72
Duty draw back claim receivable written off	-	33.96	33.34	-	-	-
Provision for defect liability expense	10.98	16.65	-	12.50	-	-
Provision for diminution other than temporary in the carrying value of long term investment (net)	-	14.00	-	6.00	-	-
Provision for doubtful receivables and advances	-	31.43	-	-	-	-
Reversal of diminution in the value of current investments	-	-	-	(1.30)	-	-
Diminution in the value of current investments	0.26	0.37	1.06	-	2.29	0.91
Profit on disposal of current investments	-	-	(1.02)	-	-	(15.49)
Dividend Income	-	-	-	-	-	(0.72)
Interest income	(84.70)	(171.67)	(126.74)	(101.66)	(144.49)	(143.97)
Interest expense	553.34	1,030.04	835.32	686.18	451.21	271.40
Operating profit before working capital changes	**1,218.66**	**1,752.74**	**1,139.13**	**1,520.00**	**822.00**	**619.47**
(Increase) / decrease in inventories	393.60	(50.32)	(28.32)	(215.87)	(721.42)	(696.74)
(Increase) / decrease in trade receivables	(173.26)	55.14	250.12	(117.08)	(701.61)	(90.44)
(Increase)/ decrease in non current loans and advances	(6.66)	(55.39)	(68.62)	(15.83)	(11.96)	(2.74)
(Increase)/ decrease in current loans and advances	(98.36)	70.36	198.29	(119.92)	(94.40)	(28.87)
(Increase)/ decrease in other current assets	(66.82)	(95.86)	(149.47)	(19.36)	(4.32)	(5.30)
(Increase)/ decrease in other non current assets	21.62	(125.08)	(291.20)	(820.13)	26.01	4.47
Increase/ (decrease) in short term provisions	(0.97)	17.67	2.98	0.49	(2.91)	(3.38)

Increase/ (decrease) in trade payables	308.52	312.68	(397.89)	60.74	321.70	116.13
Increase/ (decrease) in non current liabilities	537.69	(645.94)	1,513.41	(163.67)	(387.46)	551.13
Increase/ (decrease) in current liabilities	(232.06)	1,293.34	528.10	(211.39)	796.67	(391.52)
Cash generated/ (used in) from operations	**1,901.96**	**2,529.34**	**2,696.53**	**(102.02)**	**42.30**	**72.21**
Direct taxes paid (net of refunds)	(76.45)	(278.09)	(113.62)	(114.55)	(114.30)	(88.79)
Net cash from/ (used in) operating activities	**1,825.51**	**2,251.25**	**2,582.91**	**(216.57)**	**(72.00)**	**(16.58)**
B. Cash flow from investing activities						
Additions to fixed assets	(341.56)	(573.10)	(445.70)	(137.57)	(1,037.69)	(1,001.42)
(Investment)/ withdrawal in fixed deposits (net)	(21.18)	(28.09)	(1.48)	56.79	54.14	159.64
Proceeds from sale of fixed assets	1.79	3.41	16.63	13.90	2.60	13.06
Proceeds from sale of Investments	-	-	1.13	-	-	24.67
Purchase of investments in non current investments (including share application money pending allotment)	(1,806.59)	(1,079.95)	(2,876.97)	(926.64)	(539.03)	(840.71)
Loans and advances (to)/ from related parties (net)	(445.22)	(135.82)	437.78	52.81	36.39	(383.93)
Dividend income received	-	-	-	-	-	0.72
Interest received	4.60	38.59	166.08	25.87	33.35	55.33
Net cash used in investing activities	**(2,608.16)**	**(1,774.96)**	**(2,702.53)**	**(914.84)**	**(1,450.24)**	**(1,972.64)**
C. Cash flow from financing activities						
Proceeds from long term borrowings	1,238.75	746.23	3,250.00	1,869.09	2,048.19	1,142.48
Repayment from long term borrowings	(699.16)	(796.16)	(1,844.06)	(2,553.94)	(756.76)	81.42
Proceeds/ (repayment) from short term borrowings (net)	584.82	414.01	(256.95)	2,471.23	538.27	(76.84)
Proceeds from issue of share capital	-	-	-	-	-	1,250.00
Interest paid	(550.83)	(1,015.63)	(817.68)	(621.21)	(381.45)	(266.51)
Net cash from/ (used in) financing activities	**573.58**	**(651.55)**	**331.31**	**1,165.17**	**1,448.25**	**2,130.55**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(209.07)**	**(175.26)**	**211.69**	**33.76**	**(73.99)**	**141.33**
Cash and cash equivalents at the beginning of the period/ year	**288.55**	**463.81**	**252.12**	**218.36**	**292.35**	**151.02**
Cash and cash equivalents at the end of the period/ year	**79.48**	**288.55**	**463.81**	**252.12**	**218.36**	**292.35**

Components of cash and bank balances	**As at September 30,**	**As at March 31,**				
	2012	**2012**	**2011**	**2010**	**2009**	**2008**
Cash and cash equivalents						
Cash on hand	17.69	10.34	6.67	10.77	9.65	9.53
Balances with banks						
- on current accounts	19.84	50.80	453.42	240.26	165.33	163.58
- Deposits with original maturity of less than three months	-	31.43	0.27	1.10	43.37	119.23

- Deposits with original maturity for more than 12 months	80.11	96.58	83.46	98.41	97.88	132.52
- Deposits with original maturity for more than 3 months but less than 12 months	51.57	5.59	4.96	5.02	62.35	81.85
- Deposits with original maturity of less than three months under lien	22.52	30.84	16.50	-	-	-
Cheques on hand	41.94	195.98	3.45	-	-	-
Total cash and cash equivalents	**233.67**	**421.56**	**568.73**	**355.56**	**378.58**	**506.71**
Less: Fixed deposits considered as restricted cash	154.19	133.01	104.92	103.44	160.22	214.36
Total Cash and bank balances	**79.48**	**288.55**	**463.81**	**252.12**	**218.36**	**292.35**

Restated Consolidated Summary Statement of Assets and Liabilities

(₹ in million)

	Particulars	As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
A.	**Non-current assets**						
	Fixed assets						
	Tangible assets	5,599.27	5,497.70	4,741.01	5,051.42	4,780.80	3,534.22
	Intangible assets	3,695.05	3,816.67	-	-	-	-
	Capital work-in-progress	115.81	81.18	540.74	384.17	604.12	734.14
	Intangible assets under development	12,142.92	7,334.40	4,884.40	2,857.96	1,379.39	465.16
	Non-current investments	30.00	30.00	24.00	24.00	30.00	1.46
	Long-term loans and advances	2,012.59	2,155.65	857.96	902.59	699.85	605.67
	Trade receivables	413.29	375.05	443.86	645.11	331.38	83.59
	Other non-current assets	3,538.26	3,481.49	2,164.30	1,721.32	862.18	841.05
		27,547.19	**22,772.14**	**13,656.27**	**11,586.57**	**8,687.72**	**6,265.29**
B.	**Current assets**						
	Current investments	0.87	1.13	1.50	2.68	1.38	2.21
	Inventories	6,024.28	6,545.73	7,769.18	6,643.99	5,376.28	3,499.75
	Trade receivables	1,336.81	1,250.20	999.74	1,612.37	1,701.97	1,096.94
	Cash and bank balances	511.89	1,243.87	1,131.44	739.67	1,071.40	794.57
	Short-term loans and advances	3,931.07	3,083.44	2,217.43	2,771.04	2,313.06	1,956.53
	Other current assets	357.71	285.75	178.75	220.97	165.36	96.89
		12,162.63	12,410.12	12,298.04	11,990.72	10,629.45	7,446.89
C.	TOTAL ASSETS	**39,709.82**	**35,182.26**	**25,954.31**	**23,577.29**	**19,317.17**	**13,712.18**
D.	**Minority interest**	305.60	390.98	720.15	558.44	409.07	257.29
E.	**Non-current liabilities**						
	Long-term borrowings	16,581.02	12,752.69	7,167.96	3,950.54	2,652.01	2,086.28
	Deferred tax liabilities (net)	364.16	394.30	458.00	478.45	392.47	326.79
	Other non current liabilities	1,141.92	1,662.11	2,351.62	814.44	1,024.73	839.84
	Long-term provisions	83.18	55.21	17.19	15.70	8.41	2.38
		18,170.28	**14,864.31**	**9,994.77**	**5,259.13**	**4,077.62**	**3,255.29**
F.	**Current liabilities**						
	Short-term borrowings	4,550.04	3,928.44	3,523.67	3,776.50	1,320.46	779.70
	Trade payables	2,473.37	2,228.13	1,762.28	2,633.50	2,026.35	1,157.43
	Other current liabilities	6,604.94	6,841.61	3,285.77	5,176.99	6,265.68	3,390.84
	Short-term provisions	228.74	92.22	137.76	182.83	25.46	41.81

		13,857.09	**13,090.40**	**8,709.48**	**11,769.82**	**9,637.95**	**5,369.78**
G.	**TOTAL LIABILITIES**	**32,332.97**	**28,345.69**	**19,424.40**	**17,587.39**	**14,124.64**	**8,882.36**
H.	**Net Worth (C-G)**	**7,376.85**	**6,836.57**	**6,529.91**	**5,989.90**	**5,192.53**	**4,829.82**
	Net worth represented by Shareholders' funds						
I.	Equity share capital	248.57	248.57	248.57	124.29	124.29	124.29
J.	**Reserves and surplus:**						
	Securities premium	1,942.89	1,942.89	1,942.89	2,067.18	2,067.18	2,067.18
	Foreign currency transalation reserve	5.23	5.37	(12.97)	(13.05)	(3.54)	-
	General Reserve	1,265.56	1,265.56	1,265.56	1,265.56	1,182.71	1,180.47
	Debenture redemption reserve	-	-	-	-	82.85	-
	Housing project reserve	-	-	-	-	-	2.24
	Statement of profit and loss	3,914.60	3,374.18	3,085.86	2,545.92	1,739.04	1,455.64
	Total Reserves and surplus	**7,128.28**	**6,588.00**	**6,281.34**	**5,865.61**	**5,068.24**	**4,705.53**
	Net worth	**7,376.85**	**6,836.57**	**6,529.91**	**5,989.90**	**5,192.53**	**4,829.82**

Restated Consolidated Summary Statement of Profit and Loss

(₹ in million)

Particulars	**For the six months ended September 30,**	**For the year ended March 31,**				
	2012	**2012**	**2011**	**2010**	**2009**	**2008**
Revenue from Operations						
Revenue from construction contracts	10,391.27	15,626.79	10,067.37	13,933.61	9,562.09	7,131.81
Revenue from Real estate development	1,065.75	2,032.53	1,573.36	-	-	-
Toll Revenue from BOT Projects	606.52	473.46	-	-	-	-
Revenue from maintenance contract	125.12	58.52	-	-	-	-
Sale of metals	33.04	74.62	235.48	407.94	554.84	292.75
Revenue from operations (net)	**12,221.70**	**18,265.92**	**11,876.21**	**14,341.55**	**10,116.93**	**7,424.56**
Other income	144.76	264.91	362.70	331.86	345.21	490.61
Total (I)	**12,366.46**	**18,530.83**	**12,238.91**	**14,673.41**	**10,462.14**	**7,915.17**
Expenses:						
Cost of raw material and components consumed	3,052.10	3,707.09	4,333.07	6,894.55	4,211.31	2,678.29
(Increase)/decrease in inventories of work-in-progress, real estate under development and finished goods	236.04	1,533.65	(1,058.45)	(1,443.41)	(1,564.32)	(1,000.45)
Subcontract expenses	3,376.76	5,393.62	1,957.10	1,707.28	2,315.12	2,318.24
Employee benefits expense	888.57	1,540.69	1,345.83	1,353.41	1,045.48	672.05

Other expenses	1,924.04	3,047.87	2,635.16	3,112.78	2,582.59	1,746.39
Total (II)	**9,477.51**	**15,222.92**	**9,212.71**	**11,624.61**	**8,590.18**	**6,414.52**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)	**2,888.95**	**3,307.91**	**3,026.20**	**3,048.80**	**1,871.96**	**1,500.65**
Depreciation and amortization expense	522.66	861.04	648.34	622.79	459.11	346.85
Finance costs	1,566.48	2,028.80	1,542.18	1,103.71	789.79	506.83
Restated profit before tax	**799.81**	**418.07**	**835.68**	**1,322.30**	**623.06**	**646.97**
Tax expenses/ (credit)						
Current tax	374.90	312.95	316.20	429.45	191.61	175.99
Deferred tax	(30.14)	(63.70)	(20.45)	85.98	65.68	14.76
Total tax expense	**344.76**	**249.25**	**295.75**	**515.43**	**257.29**	**190.75**
Profit after tax before minority interest	**455.05**	**168.82**	**539.93**	**806.87**	**365.77**	**456.22**
Less: Share of Minority Interest	(85.37)	(119.51)	-	-	(0.49)	-
Restated Profit for the period/ year	**540.42**	**288.33**	**539.93**	**806.87**	**366.26**	**456.22**

Restated Consolidated Summary Cash flow statement

(₹ in million)

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
A. Cash flow from operating activities						
Profit before tax	799.81	418.07	835.68	1,322.30	623.06	646.97
Adjustments for:						
Depreciation and amortization	522.66	861.04	648.34	622.79	459.11	346.85
Impairment loss on fixed assets	-	35.42	-	-	-	-
Fixed assets written off	-	-	-	10.90	-	-
Loss on sale of fixed assets	2.46	15.58	7.79	8.98	0.86	2.77
Bad debts/Advances written off	0.57	24.35	35.89	1.08	10.68	38.72
Duty draw back claim receivable written off	-	33.96	33.34	-	-	-
Provision for defect liability expense	10.98	16.65	-	12.50	-	-
Provision for major maintenance	15.00	30.00	-	-	-	-
Provision for doubtful receivables and advances	-	31.43	-	-	-	-
Provision for diminution other than temporary in the carrying value of long term investment	-	-	-	6.00	-	-
Reversal of diminution in the value of current/ non current investments	-	(6.00)	-	(1.30)	-	-
Diminution in the value of current investments	0.26	0.37	1.06	-	2.29	0.91
Profit on disposal of current investments	-	-	(1.02)	-	-	(15.49)
Dividend income	-	-	-	-	-	(0.72)
Interest income	(88.27)	(176.76)	(177.45)	(103.71)	(148.37)	(144.84)

Interest expense	1,389.73	1,757.23	1,323.57	913.73	645.80	403.60
Operating profit before working capital changes	**2,653.20**	**3,041.34**	**2,707.20**	**2,793.27**	**1,593.43**	**1,278.77**
(Increase) / decrease in inventories	521.45	1,223.45	(1,125.19)	(1,267.71)	(1,876.53)	(1,409.10)
(Increase) / decrease in trade receivables	(124.84)	(220.90)	777.99	(225.20)	(863.50)	(141.52)
(Increase)/ decrease in non current loans and advances	(147.60)	(154.59)	(30.96)	(68.54)	0.15	163.08
(Increase)/ decrease in current loans and advances	(21.11)	(481.24)	235.77	(49.01)	(239.05)	(392.54)
(Increase)/ decrease in other current assets	(66.82)	(95.86)	(149.47)	(19.36)	(4.32)	(5.30)
(Increase)/ decrease in other non current assets	23.87	(1,195.19)	(296.14)	(820.13)	26.01	4.47
Increase/ (decrease) in short term provisions	21.21	(62.19)	(45.08)	144.87	(15.95)	(43.17)
Increase/ (decrease) in long term provisions	12.96	8.03	1.49	7.09	6.01	0.76
Increase/ (decrease) in trade payables	245.24	464.58	(907.20)	607.15	868.92	302.15
Increase/ (decrease) in non current liabilities	(575.91)	(689.51)	1,537.18	(210.29)	184.89	839.84
Increase/ (decrease) in current liabilities	(282.79)	2,021.93	(1,269.96)	217.24	976.57	(190.67)
Cash generated from operations	**2,258.86**	**3,859.85**	**1,435.63**	**1,109.38**	**656.63**	**406.77**
Direct taxes paid (net of refunds)	(173.68)	(541.82)	(374.45)	(403.77)	(244.55)	(187.53)
Net cash from operating activities	**2,085.18**	**3,318.03**	**1,061.18**	**705.61**	**412.08**	**219.24**
B. Cash flow from investing activities						
Additions to fixed assets	(5,524.64)	(7,981.70)	(2,308.16)	(2,468.75)	(2,861.10)	(1,791.29)
(Investment)/ withdrawal in fixed deposits (net)	(28.52)	(28.69)	5.71	47.37	54.14	(157.24)
Proceeds from sale of fixed assets	24.09	57.87	28.72	61.51	374.20	41.35
Proceeds from sale of Investments	-	-	1.13	-	-	24.67
Purchase of non current investments	-	-	-	-	(30.00)	-
Loans and advances to related parties (net)	(849.52)	(418.74)	346.28	(408.48)	(117.48)	(457.65)
Dividend income received	-	-	-	-	-	0.72
Interest received	8.11	43.62	216.77	29.03	37.09	56.79
Net cash used in investing activities	**(6,370.48)**	**(8,327.64)**	**(1,709.55)**	**(2,739.32)**	**(2,543.15)**	**(2,282.65)**
C. Cash flow from financing activities						
Proceeds from long term borrowings	4,923.93	7,534.48	4,588.77	3,243.71	3,164.61	2,140.33
Repayment of long term borrowings	(734.74)	(1,125.27)	(2,021.70)	(3,169.55)	(802.67)	(755.87)
Proceeds/ (repayment) from short term borrowings (net)	621.61	404.77	(252.83)	2,456.05	540.76	(59.03)
Proceeds from issue of share capital	-	-	-	-	-	1,250.00
Contribution by a minority shareholder	-	-	37.88	148.63	152.28	257.04
Interest paid	(1,280.26)	(1,738.96)	(1,312.40)	(919.98)	(589.40)	(413.75)
Net cash from financing activities						

	3,530.54	**5,075.02**	**1,039.72**	**1,758.86**	**2,465.58**	**2,418.72**
D. Foreign currency translation adjustments	(0.14)	18.33	0.08	(9.50)	(3.54)	-
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**(754.90)**	**83.74**	**391.43**	**(284.35)**	**330.97**	**355.31**
Cash and cash equivalents at the beginning of the period/ year	1,102.00	1,018.25	626.82	911.17	580.21	224.90
Cash and cash equivalents at the end of the period/ year	**347.10**	**1,101.99**	**1,018.25**	**626.82**	**911.18**	**580.21**

(₹ in million)

Components of cash and bank balances	**As at September 30,**	**As at March 31,**				
	2012	**2012**	**2011**	**2010**	**2009**	**2008**
Cash and cash equivalents						
Cash on hand	46.00	31.12	18.52	29.96	22.50	16.56
Balances with banks						
- on current accounts	259.20	676.85	890.01	595.53	832.13	337.56
- Deposits with original maturity of less than three months	-	198.04	106.27	1.33	56.55	226.09
- Deposits with original maturity for more than 12 months	80.10	96.59	83.46	98.42	97.87	132.51
- Deposits with original maturity for more than 3 months but less than 12 months	62.13	14.45	13.23	14.43	62.35	81.85
- Deposits with original maturity of less than three months under lien	22.52	30.84	16.50	-	-	-
Cheques on hand	41.94	195.98	3.45	-	-	-
Total cash and cash equivalents	**511.89**	**1,243.87**	**1,131.44**	**739.67**	**1,071.40**	**794.57**
Less: Fixed deposits considered as restricted cash	164.79	141.88	113.19	112.85	160.22	214.36
Total Cash and bank balances	**347.10**	**1,101.99**	**1,018.25**	**626.82**	**911.18**	**580.21**

THE ISSUE

Issue	Up to [●] Equity Shares aggregating upto ₹ 6,500 million
of which	
Fresh Issue[(1)]	Up to [●] Equity Shares aggregating upto ₹ 3,500 million
Offer for Sale[(2)]	Up to [●] Equity Shares aggregating upto ₹ 3,000 million
of which	
A) QIB portion[(3)(4)]	Not more than [●] Equity Shares
of which:	
Allocation for Anchor Investor[(5)]	Not more than [●] Equity Shares
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	Not more than [●] Equity Shares
Balance for all QIBs including Mutual Funds	Not more than [●] Equity Shares
B) Non-Institutional Portion(4)	Not less than [●] Equity Shares
C) Retail Portion(4)	Not less than [●] Equity Shares
Pre and post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	24,857,336 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net Proceeds	See section titled "***Objects of the Issue***" on page 102. The Company will not receive any proceeds from the Offer for Sale.

The Fresh Issue has been authorized by the Board of Directors and the shareholders, pursuant to their resolutions dated February 21, 2013 and February 25, 2013, respectively.

(1) *The Offer for Sale has been authorised by the board of the Selling Shareholders as follows:*

Sl. No.	***Selling Shareholders***	***Date of Resolution/Authorisation***
1.	*New Vernon Private Equity Limited*	*February 25, 2013*
2.	*Tattersalls Limited*	*February 19, 2013*
3.	*Tiger Veda Bharat*	*February 4, 2013*
4.	*LB India Holdings Mauritius II Limited*	*February 4, 2013*
5.	*L & T Infrastructure Finance Company Limited*	*September 18, 2012*

The Equity Shares to be offered in the Offer for Sale have been held for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and hence are eligible for being offered for sale in the Issue.

(2) *The Company may, in consultation with the BRLMs, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. For further details, see section titled "**Issue Procedure**" on page 377.*

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

Allocation to all categories shall be made in accordance with SEBI Regulations.

GENERAL INFORMATION

Our Company commenced its business as a partnership firm under the name and style of B. Seenaiah & Company on May 11, 1983. The partnership firm was subsequently converted under the Companies Act, 1956 into a public limited company under the name B. Seenaiah & Company (Projects) Limited on March 31, 1998 and obtained the certificate of commencement of business on April 3, 1998. The name of the Company was changed to BSCPL Infrastructure Limited pursuant to a fresh certificate of incorporation dated July 14, 2008. For details of changes in the name and registered office of the Company, see section titled "***History and Certain Corporate Matters***" on page 184.

Registered and Corporate Office

M. No. 8-2-502/1/A
JIVI Towers, Road No. 7
Banjara Hills
Hyderabad 500 034
Andhra Pradesh, India

Tel: (91 40) 2330 7704/ 2330 3663
Fax: (91 40) 2330 7385/2337 2054

E-mail: info@bscpl.net
Website: www.bscpl.net
Corporate Identity Number: U45203AP1998PLC029154

Address of Registrar of Companies

The Company is registered with the Registrar of Companies, Andhra Pradesh, located at 2nd Floor, CPWD Building, Kendriya Sadan, Sultan Bazaar, Koti, Hyderabad 500 195, Andhra Pradesh, India.

Board of Directors

Name	Designation	DIN	Address
Bollineni Krishnaiah	Chairman	00025094	D.No. 8-2-546/2, Road No.7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India
Bollineni Seenaiah	Managing Director	00496623	Plot No. 663-94 (Part), Road No.33, Jubilee Hills, Hyderabad 500 033, Andhra Pradesh, India
N. Sivaraman	Nominee Director*	00001747	Flat No. 43, Kalpataru Residency, Tower A, Near Cine Planet, Sion (East), Mumbai 440 022, Maharashtra, India
Amitabha Guha	Independent Director	02836707	DL 182, First Floor, Salt Lake, Sector – 2, Kolkata 700 091, West Bengal, India
Ashoke Joshi	Independent Director	01531318	Flat No 3A, Amber Ville Apartments, 13 Spur Tank Road, Chetpet, Chennai 600 031, Tamil Nadu, India
B. Kameswara Rao	Independent Director	01471253	1-1-380/38, Ashoknagar Extension, Ashoknagar, Hyderabad 500 020, Andhra Pradesh, India
P. Murali Krishna	Independent Director	00852349	Plot No. 69, Shiv Bagh, Ameerpet, Hyderabad 500 016, Andhra Pradesh, India

* *Nominee of the New Investors*

For further details of our Directors, see section titled "***Our Management***" on page 206.

Company Secretary and Compliance Officer

B.S. Bhaskar
M. No. 8-2-502/1/A
JIVI Towers, Road No. 7
Banjara Hills
Hyderabad 500 034
Andhra Pradesh, India

Tel: (91 40) 2330 7704/ 2330 3663
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E-mail: compliances@bscpl.net
Website: www.bscpl.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 and redressal of complaints, Bidders may also write to the Book Running Lead Mangers. All complaints, queries or comments received by SEBI shall be forwarded to the Book Running Lead Managers who shall respond to the same. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB giving full details such as name, address of applicant, application number, number of Equity Shares applied for, PAN of the first applicant, Bid Amount, ASBA Account number and Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidder or the address of the centre of the Syndicate Member where the Bid cum Application Form was submitted by the ASBA Bidder. All grievances relating to Bids submitted through the Non Syndicate Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

Book Running Lead Managers

JM Financial Institutional Securities Private Limited

141, Maker Chambers III
Nariman Point
Mumbai 400 021
Maharashtra, India
Tel: (91 22) 6630 3030
Fax: (91 22) 2204 2137
Website: www.jmfl.com
E-mail: bscpl.ipo@jmfl.com
Investor Grievance E-mail: grievance.ibd@jmfl.com
Contact Person: Lakshmi Lakshmanan
SEBI Registration No.: INM000010361

Axis Capital Limited

1st Floor, Axis House
C-2 Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: (91 22) 4325 2525/ (91 22) 4325 3146
Fax: (91 22) 4325 3000
Website: www.axiscapital.co.in
E-mail: bscpl.ipo@axiscap.in
Investor Grievance E-mail:
complaints@axiscap.in
Contact Person: Harish Lodha
SEBI Registration No.: INM000012029

Syndicate Members

[●]

Self Certified Syndicate Banks

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

Please note that subject to SCSBs complying with the requirements of SEBI circular no. CIR/CFD/DIL/13/2012 dated September 25, 2012, ASBA Bids may be submitted to all branches of the SCSBs.

Domestic Legal Counsel to the Company

Amarchand & Mangaldas & Suresh A. Shroff & Co.

1-10-20/2B, 4th Floor
Pooja Edifice
Chickoti Gardens, Begumpet
Hyderabad 500 016
Andhra Pradesh, India
Tel: (91 40) 6633 6622 / 6633 7666
Fax: (91 40) 6649 2727

2nd floor, ASV Chamiers Square
87/48 Chamiers Road
Chennai 600 028
Tamil Nadu, India
Tel: (91 44) 6668 4455
Fax: (91 44) 6608 3490

Legal Counsel to the BRLMs as to Indian Law

Luthra & Luthra Law Offices

Indiabulls Finance Centre, Tower 2
Unit A2, 20th Floor
Elphinstone Road
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: (91 22) 6630 3600
Fax: (91 22) 6630 3700

Legal Counsel to the Tiger Veda Bharat and Tattersalls Limited

Khaitan & Co.

One Indiabulls Centre, 13th Floor
841 Senapati Bapat Marg
Elphinstone Road
Mumbai 400 013
Maharashtra, India
Tel: (91 22) 6636 5000
Fax: (91 22) 6636 5050

Uteem Chambers

4th Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Mauritius
Tel: (230) 211 7700
Fax: (230) 211 4700
Mauritius

Legal Counsel to New Vernon Private Equity Limited

Lexel Chambers

Level 2, Alexander House
35, Cybercity, Ebene
Republic of Mauritius

Tel: (230) 468 1327
Fax: (230) 467 8858

Legal Counsel to L&T Infrastructure Finance Company Limited

K Law

Krishnamurthy & Co.
96, Free Press House
215, Nariman Point
Mumbai 400 021
Maharashtra, India
Tel: (91 22) 6749 2595
Fax: (91 22) 6749 2593

Joint Statutory Auditors to the Company

S R B C & CO, Chartered Accountants

Oval Office, 18
iLabs Centre
Hitech City
Madhapur
Hyderabad 500 081
Andhra Pradesh, India
Tel: (91 40) 6736 2000
Fax: (91 40) 6736 2200
E-mail: srbc.co@in.ey.com
Firm Registration No: 324982E

Anjaneyulu & Co, Chartered Accountants

30, Bhagyalakshmi Nagar
Kawadiguda
Hyderabad 500 080
Andhra Pradesh, India
Tel: (91 40) 2753 5350
Fax: (91 40) 2753 2295
E-mail: anj_co@rediffmail.com
Firm Registration No: 000180S

Registrar to the Issue

Karvy Computershare Private Limited

Plot Nos. 17-24
Vittal Rao Nagar, Madhapur
Hyderabad 500 081
Andhra Pradesh, India
Tel: (91 40) 4465 5000
Fax: (91 40) 2343 1551
E-mail: bscplipo@karvy.com
Website: https://karisma.karvy.com/
Contact Person: Murali Krishnan
SEBI Registration No: INR000000221

Bankers to the Issue and/or Escrow Collection Banks

[●]

Refund Banker

[●]

Bankers to the Company

Andhra Bank

State Bank of Hyderabad

Specialised Corporate Finance Branch
3rd Floor, 6-3-648, Padmaja Landmark
Somajiguda
Hyderabad 500 082
Andhra Pradesh, India
Tel: (91 40) 2342 1177
Fax: (91 40) 2342 1176
Contact Person: K. Ranganath
E-mail: bmhydm1006@andhrabank.co.in
Website: www.andhrabank.in

State Bank of India

Corporate Accounts Group Branch
'Ozone', 2nd Floor, 6-3-669
Punjagutta Main Road
Hyderabad 500 082
Andhra Pradesh, India
Tel: (91 40) 2342 1401
Fax: (91 40) 2342 1407/08/09
Contact Person: R. Ananda Ganesan
E-mail: agmamt1.caghyd@sbi.co.in
Website: www.sbi.co.in

Standard Chartered Bank,

Crescenzo, 3rd Floor, C/38-39
G-Block, Opposite MCA Club
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: (91 22) 2675 7250
Fax: (91 22) 2675 7358
Contact Person: Rohan Ganpule
E-mail: ipo.scb@sc.com
Website: www.standardchartered.com

Bank of India

10-1-1199/2
P.T.I Building, A.C.Guards
Masab Tank
Hyderabad 500 004
Andhra Pradesh, India
Tel: (91 40) 2333 3391/92/93/94
Fax: (91 40) 2333 3396
Contact Person: S.A. Mehdi
E-mail: lcb.hyderabad@bankofindia.co.in
Website: www.bankofindia.com

Yes Bank Limited

Ground Floor, Mayank Towers
6-3-1090/B/1&2, Raj Bhavan Road
Somajiguda, Hyderabad 500 082
Andhra Pradesh, India

Industrial Finance Branch
Topaz Building, Amrutha Hills
Punjagutta
Hyderabad 500 082
Andhra Pradesh, India
Tel: (91 40) 2340 6582, 2340 2297
Fax: (91 40) 2340 3162, 4020 4995
Contact Person: N. C. Panda
E-mail: ifb_hyd@sbhyd.co.in
Website: www.sbhhyd.com

ICICI Bank Limited

ICICI Bank Towers
6th Floor, North Wing, Tower II
Financial District, Nanakramguda
Gachibowli
Hyderabad 500 032
Andhra Pradesh, India
Tel: (91 40) 6106 3070
Fax: (91 40) 4106 6450
Contact Person: Ramana Reddy
E-mail: ramana.r@icicibank.com
Website: www.icicibank.com

Axis Bank Limited

Begumpet Road
Hyderabad 500 016
Andhra Pradesh, India
Tel: (91 40) 2340 0731
Fax: (91 40) 2340 7184
Contact Person: S. Bhaskargopal
E-mail: s.bhaskargopal@axisbank.com
Website: www.axisbank.com

IDBI Bank Limited

Unit No.2, Corporate Park, Near Swastik Chambers
Sion-Trombay Road, Chembur
Mumbai 400 071
Tel: (91 22) 6690 8402
Fax: (91 22) 6690 8424
Contact Person: V.Jayanandhan
E-mail: ipoteam@idbi.co.in/v.jayanandhan@idbi.co.in
Website: www.idbibank.com

Tel: (91 40) 6673 9000
Fax: (91 40) 6646 9001
Contact Person: Pran Jain
Email: pran.jain@yesbank.in
Website: www.yesbank.com

Monitoring Agency

There is no requirement for appointing a monitoring agency for this Issue under Regulation 16(1) of the SEBI Regulations since our proposed Fresh Issue size is less than ₹ 5,000 million.

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:

No	Activities	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, etc.	JM Financial, Axis Capital	JM Financial
2.	Due diligence of our Company's operations/ management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing of the same.	JM Financial, Axis Capital	JM Financial
3.	Drafting and approval of all statutory advertisement.	JM Financial, Axis Capital	JM Financial
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (3) above including corporate advertisement, brochure, etc.	JM Financial, Axis Capital	Axis Capital
5.	Appointment of Registrar(s), Printer(s) and Banker(s) to the Issue.	JM Financial, Axis Capital	Axis Capital
6.	Appointment of Advertising Agency.	JM Financial, Axis Capital	Axis Capital
7.	Preparation and finalization of the road-show presentation.	JM Financial, Axis Capital	JM Financial
8	International Institutional marketing including; allocation of investors for meetings and finalizing road show schedules.	JM Financial, Axis Capital	JM Financial
9	Domestic Institutional marketing including; allocation of investors for meetings and finalizing road show schedules.	JM Financial, Axis Capital	Axis Capital
10.	Non-Institutional & Retail Marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalising Media and PR strategy • Finalising centres for holding conferences for brokers etc • Finalising collection centres; and • Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.	JM Financial, Axis Capital	Axis Capital
11.	Pricing and managing the book.	JM Financial,	JM Financial

No	Activities	Responsibility	Coordinator
		Axis Capital	
12	Coordination with Stock-Exchanges for book building software, bidding terminals etc.	JM Financial, Axis Capital	Axis Capital
13	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks, etc. including responsibility for underwriting arrangements, as applicable.	JM Financial, Axis Capital	Axis Capital

IPO Grading

This Issue has been graded by [●], a SEBI registered credit rating agency, as IPO Grade [●], indicating [●] fundamentals. The IPO grading is assigned on a five point scale from 1 to 5 wherein an "IPO Grade 5" indicates strong fundamentals and "IPO Grade 1" indicates poor fundamentals. Pursuant to SEBI Regulations the rationale furnished by the grading agency for its grading will be annexed with the Red Herring Prospectus filed with the RoC.

Summary of the grading rationale

The summary of the grading rationale furnished by the grading agency for its grading will be updated at the time of filing the Red Herring Prospectus with the RoC.

A copy of the report provided by [●], furnishing the rationale for its grading will be annexed to the Red Herring Prospectus and will be made available for inspection at our Registered and Corporate Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date. For details of summary of rationale for the grading assigned by the IPO Grading Agency, see section titled ***"Other Regulatory and Statutory Disclosures"*** on page 355.

Expert

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

The report provided by the [●] IPO grading agency (a copy of which report will be annexed to the Red Herring Prospectus), furnishing the rationale for its grading of this Issue pursuant to the SEBI Regulations.

The Company has received consent from the Joint Statutory Auditors of the Company namely, S R B C & CO, Chartered Accountants and Anjaneyulu & Co., Chartered Accountants, to include their name as an expert under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the report of the Joint Auditor's dated February 21, 2013 and statement of tax benefits dated February 21, 2013 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

Our Company has obtained an architect's certificate dated February 22, 2013 from Kharche & Associates in relation to various properties which have been developed, are being developed and/or are planned to be developed by us in Chennai. Kharche & Associates has given his written consent to be named as an expert to our Company for the Issue in relation to various properties which have been developed, are being developed and/or are planned to be developed by us in Chennai, and such consent has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus.

Our Company has obtained a title certificate dated February 22, 2013 from Nambiar Associates in relation to immovable properties pertaining to the Bollineni Hillside Project. Nambiar Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to the Bollineni Hillside Project, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has obtained a title certificate dated February 25, 2013 from Hamdan AlHarmi & Associates in relation to immovable properties pertaining to a piece of land in Jumeriah Village, Dubai, United Arab Emirates. Hamdan AlHarmi & Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to to a piece of land in Jumeriah Village, Dubai, United Arab Emirates, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has obtained a title certificate dated February 25, 2013 from Hamdan AlHarmi & Associates in relation to immovable properties pertaining to a piece of land in Al Hebiah Fourth, Dubai, United Arab Emirates. Hamdan AlHarmi & Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to to a piece of land in Al Hebiah Fourth, Dubai, United Arab Emirates, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Project Appraisal

None of the objects of this Issue have been appraised by any agency. The objects of this Issue and means of finance therefore are based on internal estimates of our Company.

Credit Rating

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

Trustee

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

Book Building Process

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

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

This being an Issue for Equity Shares for at least 25% of the post-Issue Equity Share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the SCRR. The Issue is being made pursuant to Regulation 26(1) of the SEBI Regulations through the Book Building Process wherein, not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that up to 30% of the QIB Portion may be available for allocation to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion 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% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation as per the SEBI Regulations to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. All potential investors, other than Anchor Investors, may participate in the Issue through ASBA process, providing details about the bank account which will be blocked by the SCSBs for the same.

In accordance with the SEBI Regulations, QIBs Bidders and Anchor Investors are not allowed to withdraw or lower the Size their Bid(s), both in terms of number of Equity Shares bid for and Bid Amount at any stage For further details, see section titled "***Issue Procedure***" on page 377.

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

The Book Building Process under the SEBI 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 and it also excludes bidding by Anchor Investors or under ASBA process.

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 given 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 Amount (₹)	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, and the selling shareholders, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹ 22. 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 (see section titled "***Issue Procedure – Who Can Bid?***" on page 379);

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

3. Except for Bids on behalf of the Central or State Governments and the officials appointed by the courts, for Bids of all values, ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum

Application Form. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see section titled "***Issue Procedure***" on page 377). However, Bidders residing in the State of Sikkim are exempted from the mandatory requirement of PAN. The exemption is subject to the Depository Participants' verifying the veracity of the claim of the investors that they are residents of Sikkim, by collecting sufficient documentary evidence in support of their address;

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

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 will have to be submitted only through the ASBA process;

7. Bids by ASBA Bidders will have to be admitted to the Designated Branches or to Syndicate/sub-Syndicate Members, or to the Non Syndicate Registered Members (if applicable). ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB or the Syndicate or the Non Syndicate Registered Members, as the case may be to ensure that the Bid is not rejected. For further details see section titled *"**Issue Procedure**"* on page 377; and

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

Withdrawal of the Issue

The 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 without assigning any reasons therefore. However, if our Company and the Selling Shareholders withdraw the Issue, after the Bid/Issue Closing Date, the 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. The Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

If the 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 the Company's Equity Shares, the 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 the Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus.

Bid/ Issue Programme

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

* *The Company in consulation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Date shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI Regulations.*
***The Company in consulation 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 Regulations.*

Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, the Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that, pursuant to the terms of the Underwriting Agreement, the 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 shall be to the extent of the Bids uploaded by the underwriters.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 and Address of the Underwriters	Indicated Number of 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.

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, at its meeting held on [●], has accepted and entered into the Underwriting Agreement on behalf of the 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.

CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as of the date of this Draft Red Herring Prospectus, is set forth below:

(*in ₹, except share data*)

		Aggregate Value at nominal value	Aggregate Value at Issue Price
A	**Authorised Share Capital**		
	40,000,000 Equity Shares	400,000,000	NA
B	**Issued, subscribed and paid up share capital before the Issue**		
	24,857,336 Equity Shares	248,573,360	NA
C	**Present Issue in terms of this Draft Red Herring Prospectus**		
	Up to [●] Equity Shares	[●]	[●]
	Out of which		
	a. Fresh Issue		
	Up to [●] Equity Shares	[●]	[●]
	b. Offer for Sale		
	Up to [●] Equity Shares	[●]	[●]
D	**Equity Capital after the Issue**		
	[●] Equity Shares	[●]	[●]
E	**Securities premium account**		
	Before the Issue	1,942,890,000	
	After the Issue	[●]	

The Company may offer up to 8,000,000 Equity Shares for an amount not exceeding ₹2,000 million as a placement to certain investors prior to filing of the Red Herring Prospectus with RoC at a price as the Board may, in consultation with the BRLMs, determine in light of the then prevailing market conditions in accordance with the Companies Act, the SEBI Regulations and other applicable laws, regulations, policies or guidelines. ("**Placement**")

The Fresh Issue has been authorised by a resolution of our Board of Directors dated February 21, 2013 and a resolution of our shareholders in their EGM dated February 25, 2013.

The Offer for Sale has been authorised by the Selling Shareholders as follows:

Sl. No.	Selling Shareholders	Date of Resolution/Authorisation
1.	New Vernon Private Equity Limited	February 25, 2013
2.	Tattersalls Limited	February 19, 2013
3.	Tiger Veda Bharat	February 4, 2013
4.	LB India Holdings Mauritius II Limited	February 4, 2013
5.	L & T Infrastructure Finance Company Limited	September 18, 2012

Changes in the Authorised Share Capital:

(a) The initial authorized share capital of ₹ 120,000,000, comprising of 12,000,000 Equity Shares was increased to ₹ 200,000,000, comprising of 20,000,000 Equity Shares, pursuant to a resolution of the shareholders passed at their EGM held on February 28, 2006.

(b) The authorised share capital of ₹ 200,000,000, comprising of 20,000,000 Equity Shares was increased to ₹ 300,000,000, comprising of 30,000,000 Equity Shares pursuant to a resolution of the shareholders passed at their AGM held on September 30, 2010.

(c) The authorised share capital of ₹ 300,000,000 comprising of 30,000,000 Equity Shares was increased to ₹ 400,000,000, comprising of 40,000,000 Equity Shares pursuant to a resolution of the shareholders passed at their AGM held on September 21, 2011.

Notes to Capital Structure:

1. **Share capital history of the Company**

(a) Equity share capital history of the Company:

(in ₹, except share data)

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value	Issue Price	Nature of Payment	Reasons for allotment	Cumulative number of Equity Shares	Cumulative Issued Capital	Cumulative Share Premium
March 31, 1998	10,146,429	10	10	Cash	Subscription to Memorandum of Association (1)	10,146,429	101,464,290	-
March 28, 2006	1,191,489	10	705	Cash	Preferential allotment(2)	11,337,918	113,379,180	828,084,855
November 22, 2007	10,90,750	10	1,146	Cash	Preferential allotment(3)	12,428,668	124,286,680	2,067,176,855
February 3, 2011	12,428,668	10	-	Bonus	Bonus issue in the ratio of 1:1(4)(5)	24,857,336	248,573,360	1,942,890,175

(1) *Allotment of 1,728,372 Equity Shares to Bollineni Seenaiah, 1,674,289 Equity Shares to Bollineni Bhaskar Rao, 295,130 Equity Shares to Ponchana Seshadri Reddy, 586,371 Equity Shares to Chappidi Janardhana Rao, 972,813 Equity Shares to T. Dayakar, 1,662,186 Equity Shares to Bollineni Sujatha, 895,854 Equity Shares to Talluru Lalithamma, 1,205, 697 Equity Shares to Bollineni Venkamma and 1,125,717 Equity Shares to Dandamundi Anitha.*

(2) *Allotment of 794,326 Equity Shares to New Vernon Private Equity Limited and 397,163 Equity Shares to Tattersalls Limited.*

(3) *Allotment of 218,150 Equity Shares to Infrastructure Development Finance Company Limited, 218,150 Equity Shares to L&T Infrastructure Finance Company Limited, 69,808 Equity Shares to L&T Capital Company Limited, 366,492 Equity Shares to LB India Holdings Mauritius II Limited and 218,150 Equity Shares to Amansa Investments Ltd (formerly known as Amansa Fund LP).*

(4) *Allotment of 1,140,000 Equity Shares to Bollineni Krishnaiah, 2,423,590 Equity Shares to Bollineni Seenaiah, 1,180,725 Equity Shares to Bollineni Sujatha, 954,836 Equity Shares to Bollineni Aishwarya, 750,000 Equity Shares to Dandamundi Anitha, 621,435 Equity Shares to Bollineni Yamuna, 600,000 Equity Shares to Bollineni Bhaskar Rao, 551,585 Equity Shares to Bollineni Sandeep, 375,717 Equity Shares to Damavarapu Kanthamma, 250,000 Equity Shares to Talluru Lalithamma, 100,000 Equity Shares to T. Dayakar, 26,371 Equity Shares to Chappidi Janardhan Rao, 1,418,439 Equity Shares to New Vernon Private Equity Limited, 237,500 Equity Shares to Tattersalls Limited, 471,720 Equity Shares to Tiger Veda Bharat, 218,150 Equity Shares to Infrastructure Development Finance Company Limited, 218,150 Equity Shares to L&T Infrastructure Finance Company Limited, 305,808 Equity Shares to L&T Capital Company Limited, 366,492 Equity Shares to LB India Holdings Mauritius II Limited and 218,150 Equity Shares to Amansa Investments Ltd (formerly known as Amansa Fund LP).*

(5) *The bonus issue was made pursuant to the capitalization of the share premium account.*

(b) *Issue of Equity Shares in the Last One Year:*

The Company has not issued any Equity Shares during the preceding one year.

(c) *Equity Shares Allotted for Consideration other than Cash:*

Date of Allotment of Shares	No. of Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Allotees	Benefits to the Company
February 3, 2011	12,428,668	10	-	Bonus issue of Equity Shares in the ratio of 1:1	Refer to footnote (4) to Point 1 (a) - Notes to Capital Structure above.	No benefit has accrued to the Company as a result of the bonus issue.

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

(a) *History of the share capital held by the Promoters:*

Bollineni Krishnaiah

Date of Allotment/ Transfer	No. Of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Nature of payment	Nature of transaction
March 21, 2006	870,000	10	-	Gift	Transfer from Bollineni Bhaskar Rao
March 21, 2006	270,000	10	-	Gift	Transfer from Talluru Lalithamma
February 3, 2011	1,140,000	10	-	Bonus	Bonus issue of Equity Shares in the ratio of 1:1
TOTAL	**2,280,000**				

Bollineni Seenaiah

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Nature of payment	Nature of transaction
March 31, 1998	1,728,372	10	10	Cash	Subscription to Memorandum of Association
October 4, 2004	275,000	10	10	Cash	Transfer from Pochana Seshadri Reddy
May 4, 2005	20,130	10	10	Cash	Transfer from Pochana Seshadri Reddy
March 21, 2006	535,000	10	-	Gift	Transfer from Chappidi Janardhana Rao
March 21, 2006	280,000	10	-	Gift	Transfer from Talluru Lalithamma
March 28, 2006	1,205,697	10	-	Succession*	Transmission from Bollineni Venkamma upon her death
October 19, 2006	(274,675)	10	705	Cash	Transfer to New Vernon Private Equity Limited
June 2, 2007	(61,914)	10	705	Cash	Transfer to Tattersalls Limited

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Nature of payment	Nature of transaction
November 24, 2007	(111,000)	10	1,146	Cash	Transfer to L&T Capital Company Limited
March 22, 2010	(1,173,020)	10	-	Gift	Transfer of 621,435 Equity Shares to Bollineni Yamuna and 551,585 Equity Shares to Bollineni Sandeep.
February 3, 2011	2,423,590	10	-	Bonus	Bonus issue of Equity Shares in the ratio of 1:1
TOTAL	**4,847,180**				

* *A deed of relinquishment dated February 8, 2006 has been entered into by (i) Bollineni Seenaiah, (ii) Bollineni Krishnaiah, (iii) Bollineni Bhaskar Rao, (iv) Talluru Lalithamma and (v)Padmamma whereby persons (ii) to (v) have relinquished their respective rights with respect to 1,205,697 Equity Shares that belonged to their mother, Bollineni Venkamma in favour of their brother, Bollineni Seenaiah.*

Bollineni Sujatha

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Nature of payment	Nature of transaction
March 31, 1998	1,662,186	10	10	Cash	Subscription to Memorandum of Association
October 19, 2006	(349,438)	10	705	Cash	Transfer to New Vernon Private Equity Limited
November 6, 2006	872,813	10	-	Gift	Transfer from Talluru Ademma
November 26, 2007	(50,000)	10	1,146	Cash	Transfer to L&T Capital Company Limited
March 18, 2009	(954,836)	10	-	Gift	Transfer to Bollineni Aishwarya
February 3, 2011	1,180,725	10	-	Bonus	Bonus issue of Equity Shares in the ratio of 1:1
TOTAL	**2,361,450**				

Bollineni Yamuna

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Nature of payment	Nature of transaction
March 22, 2010	621,435	10	-	Gift	Transfer from Bollineni Seenaiah

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Nature of payment	Nature of transaction
February 3, 2011	621,435	10	-	Bonus	Bonus issue of Equity Shares in the ratio of 1:1
TOTAL	**1,242,870**				

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

Details of Shares pledged by the Promoters

The details of shares pledged by the Promoters as of February 25, 2012 are as follows:

Promoter	Lender	Shares Pledged	
		Number of Equity Shares	As a percentage of their shareholding
Bollineni Krishnaiah	L&T Infrastructure Finance Company Limited	200	0.01
Bollineni Seenaiah	Axis Bank Limited	253,153	5.22
Bollineni Yamuna	L &T Infrastructure Finance Company Limited	1,242,870	100.00
Total		**1,496,223**	

Note: The shares pledged by the Promoters constitute 6.02% of the total outstanding Equity Share capital of the Company.

(b) *Details of Promoters' contribution locked in for three years*

The Equity Shares, which to be locked-in, are eligible for computation of minimum promoter's contribution under Regulation 33 of the SEBI Regulations. In this connection, the Company confirms that the Equity Shares to be locked-in will not consist of:

(i) Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction or (b) arising from a bonus issue by utilization of revaluation reserves or unrealized profits of the Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

(ii) Equity Shares acquired by the Promoters during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which Equity Shares are being offered to the public in the Issue; and

(iii) Equity Shares pledged with any creditor.

Although the Company has been formed by conversion of a partnership firm into a public limited company, the Equity Shares being locked in do not consist of Equity Shares allotted to Promoters during the preceding one year at a price less than the Issue Price on conversion of the partnership firm, against funds brought in by them during that period.

Pursuant to Regulations 32 and 36 of the SEBI Regulations, an aggregate of 20% of the fully diluted post-Issue capital of the Company held by the Promoters shall be locked in for a period of three years from the date of Allotment of Equity Shares in the Issue and the Promoters' shareholding in excess of 20% shall be locked-in for a period of one year.

The details of the Promoters' contribution locked in for three years are as follow[#]:

Name	Date of allotment/ acquisition and when made fully paid-up	Nature of allotment	Nature of payment	No. of shares locked in*	Face value (₹)	Issue price/ Purchase price (₹)	Percentage of post-Issue paid-up capital	Date up to which specified securities are subject to lock-in
Bollineni. Krishnaiah	[●]	[●]	[●]	[●]	10	[●]	[●]	[●]
Bollineni. Seenaiah	[●]	[●]	[●]	[●]	10	[●]	[●]	[●]
Bollineni. Sujatha	[●]	[●]	[●]	[●]	10	[●]	[●]	[●]
Bollineni. Yamuna	[●]	[●]	[●]	[●]	10	[●]	[●]	[●]

** Commencing from the date of the Allotment of the Equity shares in the Issue.*

#To be inserted upon finalization of Issue Price

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

The Company has obtained specific written consent dated March 5, 2013from our Promoters for inclusion of the Equity Shares held by them in the minimum Promoters' contribution subject to lock-in. Further, our Promoters have given undertakings to the effect that they shall not sell/transfer/dispose of in any manner, Equity Shares forming part of the minimum Promoters' contribution from the date of filing the Draft Red Herring Prospectus till the date of commencement of lock-in in accordance with SEBI Regulations.

(c) *Shareholding of Promoter Group and directors of promoter in our Company*

Other than as provided in this section, none of the members of our Promoter Group hold any other Equity Shares. The Company does not have any corporate promoter.

(d) *Details of pre-Issue Equity Share capital locked-in for one year*

In terms of Regulation 37 of the SEBI Regulations, except for (a) Promoters' contribution; and (b) Equity Shares forming part of the Offer for Sale, the entire pre-Issue equity share capital including any Equity Shares allotted pursuant to the Placement, will be locked-in for a period of one year from the date of Allotment of the Equity Shares in the Issue.

(e) *Other Requirements in respect of lock-in*

Pursuant to Regulation 39 of the SEBI Regulations, minimum Promoters' contribution can be pledged only with any scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or institution. Further, such pledge can be created only if the loan has been granted by such scheduled commercial bank or public financial institution for financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of sanction of the loan.

The Equity Shares held by our Promoters which are locked-in for a period of one year can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such bank or financial institution, provided that the pledge of the Equity Shares is one of the terms of sanction of the loan.

In terms of Regulation 40 of the SEBI Regulations:

(i) Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares of the Company which are locked-in as per Regulation

37 of the SEBI Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Takeover Code, as applicable.

(ii) Equity Shares held by the Promoters may be transferred among the Promoter Group or to a new promoter or persons in control of the Company which are locked-in as per Regulation 36 of the SEBI Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Takeover Code, as applicable.

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

(f) Lock-in of Equity Shares to be issued, if any, to the Anchor Investors

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

3. **Shareholding of the Company**

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

Category code (I)	**Category of shareholder (II)**	**Number of shareholders (III)**	**Total number of shares (IV)**	**Number of shares held in dematerialized form (V)**	**Total shareholding as a percentage of total number of shares**		**Shares Pledged or otherwise encumbered**		**Post IPO**		**Shares Pledged or otherwise encumbered (Post-IPO)**	
					As a percentage of (A+B) (VI)	**As a percentage of (A+B+C) (VII)**	**Number of shares (VIII)**	**As a percentage (IX)= (VIII)/ (IV)*100**	**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		-	-	-	-	-	-			- -	
	Promoters											
	Bollineni Krishnaiah		2,280,000	2,280,000	9.17	9.17	200	0.01				
	Bollineni Seenaiah		4,847,180	4,847,180	19.50	19.50	253,153	5.22				
	Bollineni Sujatha		2,361,450	2,361,450	9.50	9.50	-	-				
	Bollineni Yamuna		1,242,870	1,242,870	5.00	5.00	1,242,870	100				
	Promoter Group											
	Bollineni Aishwarya		1,909,672	1,909,672	7.68	7.68	1,019,958	53.41				
	Bollineni Bhaskar Rao		1,200,000	1,200,000	4.83	4.83	1,200,000	100				
	Bollineni Sandeep		1,103,170	1,103,170	4.44	4.44	1,103,170	100				
	Talluru Lalithamma		500,000	500,000	2.01	2.01	500,000	100				
	D Lakshmi Kanthamma		751,434	751,434	3.02	3.02	751,434	100				
(b)	Central Government/ State Government (s)		-	-	-	-	-	-			- -	

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Post IPO		Shares Pledged or otherwise encumbered (Post-IPO)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX)= (VIII)/ (IV)*100	Number of Shares *	As a % of (A+B+C)*	Number of shares	As a percentage
(c)	Bodies Corporate		-	-	-	-	-	-			- -	
(d)	Financial Institutions/ Banks		-	-	-	-	-	-			- -	
(e)	Any Other (Trust)		-	-	-	-	-	-			- -	
	Sub-Total (A)(1)	9	16,195,776	16,195,776	65.15	65.15	6,070,785	37.48				
(2)	Foreign											
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		-	-	-	-	-	-			- -	
	Promoter											
(b)	Bodies Corporate	-	-	-	-	-	-	-			- -	
(c)	Institutions	-	-	-	-	-	-	-			- -	
(d)	Any Other (specify)		-	-	-	-	-	-			- -	
	Sub-Total (A)(2)	-	-	-	-	-	-	-				
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**9**	**16,195,776**	**16,195,776**	**65.15**	**65.15**	**6,070,785**	**37.48**				
(B)	Public shareholding											
(1)	Institutions											
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-			- -	
(b)	Financial Institutions/ Banks	-	-	-	-	-	-	-			- -	
(c)	Central Government/ State Government (s)	-	-	-	-	-	-	-			- -	
(d)	Venture Capital Funds	-	-	-	-	-	-	-			- -	
(e)	Insurance Companies	-	-	-	-	-	-	-			- -	
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-			- -	
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-			- -	
(h)	Any Other (specify)	-	-	-	-	-	-	-			- -	
	Sub-Total (B)(1)	-	-	-	-	-						
(2)	Non-institutions											
(a)	Bodies Corporate											
	New Vernon[1]		2,836,878	2,836,878	11.41	11.41	-	-				

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Post IPO		Shares Pledged or otherwise encumbered (Post-IPO)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX)= (VIII)/ (IV)*100	Number of Shares *	As a % of (A+B+C)*	Number of shares	As a percentage
	Private Equity Limited											
	Tattersalls Limited(1)		475,000	475,000	1.91	1.91	-					
	Tiger Veda Bharat(1)		943,440	943,440	3.80	3.80	-					
	LB India Holdings Mauritius II Limited(1)		732,984	732,984	2.95	2.95	-	-				
	Amansa Holdings Private Limited		436,300	436,300	1.76	1.76	-	-				
	L&T Infrastructure Finance Company Limited(1)		1,047,916	1,047,916	4.22	4.22	-	-				
	Infrastructure Development Finance Company Limited(1)		436,300	436,300	1.76	1.76	-	-				
(b)	Individuals - Individual shareholders holding nominal share capital up to ₹ 1 lakh.											
	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.											
	Dandamundi Anitha(1)		1,500,000	1,500,000	6.03	6.03						
	T. Dayakar		200,000	200,000	0.80	0.80						
	Janardhana Rao		52,742	52,742	0.21	0.21	-	-				
(c)	Independent Directors											
	Sub-Total (B)(2)	**11**	**8,661,560**	**8,661,560**	**34.85**	**34.85**						
	Total Public Shareholding (B)= (B)(1)+(B)(2)											
	TOTAL (A)+(B)	**20**	**24,857,336**	**24,857,336**	**100**	**100**	**6,070,785**	**37.48**				
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-			- -	
	GRAND TOTAL											

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Post IPO		Shares Pledged or otherwise encumbered (Post-IPO)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX)= (VIII)/ (IV)*100	Number of Shares *	As a % of (A+B+C)*	Number of shares	As a percentage
	(A)+(B)+(C)											

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

(1) *Public shareholders holding more than 1 % of pre-Issue capital of our Company.*

For further details on Equity Shares held by Promoters and Promoter Group, refer to Note 2 of '***Notes to Capital Structure***'.

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

(a) *On the date of and ten days prior to filing this Draft Red Herring Prospectus with SEBI:*

Sl. No.	Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share capital
1.	Bollineni Seenaiah	4,847,180	19.50
2.	New Vernon Private Equity Limited	2,836,878	11.41
3.	Bollineni Sujatha	2,361,450	9.50
4.	Bollineni Krishnaiah	2,280,000	9.17
5.	Bollineni Aishwarya	1,909,672	7.68
6.	Anitha Dandamudi	1,500,000	6.03
7.	Bollineni Yamuna	1,242,870	5.00
8.	Bollineni Bhaskar Rao	1,200,000	4.83
9.	Bollineni Sandeep	1,103,170	4.44
10.	L&T Infrastructure Finance Company Limited	1,047,916	4.22
Total		**20,329,136**	**81.78**

(b) *Two years prior to the date of filing this Draft Red Herring Prospectus with SEBI:*

Sl. No.	Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share capital
1.	Bollineni Seenaiah	4,847,180	19.50
2.	New Vernon Private Equity Limited	2,836,878	11.41
3.	Bollineni Sujatha	2,361,450	9.50
4.	Bollineni Krishnaiah	2,280,000	9.17
5.	Bollineni Aishwarya	1,909,672	7.68
6.	Anitha Dandamudi	1,500,000	6.03
7.	Bollineni Yamuna	1,242,870	5.00
8.	Bollineni Bhaskar Rao	1,200,000	4.83
9.	Bollineni Sandeep	1,103,170	4.44
10.	Tiger Veda Bharat	943,440	3.79
Total		**20,224,660**	**81.00**

5. **Details of Equity Shares held by our Directors, Key Managerial Personnel**

The table below sets forth the details of Equity Shares that are held by our Directors and Key Managerial

Personnel:

Sl. No.	Name	Number of Equity Shares	Pre-Issue Equity Share Capital (%)	Post-Issue Equity Share Capital (%)
1.	Bollineni Seenaiah	4,847,180	19.50	[●]
2.	Bollineni Krishnaiah	2,280,000	9.17	[●]
3.	T. Dayakar	200,000	0.80	[●]
	Total	**7,327,180**	**29.47**	[●]

Except as stated above, none of the Directors or the Key Managerial Personnel holds any Equity Shares in the Company.

6. Neither the Company, nor our Promoters, Promoter Group, Directors, or the BRLMs have entered into any buy-back, safety net and/or standby arrangements for the purchase of Equity Shares from any person other than the arrangement, if any, entered into in respect of safety net facility as permitted by SEBI Regulations.

7. Except for the Placement, the Company shall not make any further issue of Equity Shares by way of public issue, rights issue, preferential issue, qualified institutions placement, issue of bonus shares or otherwise during the period between the date of filing the Draft Red Herring Prospectus with the Board and the listing of the Equity Shares offered through the Issue or refund of application moneys. Further, the Company does not presently intend to or propose to alter the capital structure by way of split or consolidation of the denomination of our Equity Shares, or issue Equity Shares on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement, within a period of six months from the Bid/Issue Opening Date, except that, if the Company enters into acquisitions, joint ventures or other arrangements, may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures at any time after the listing of the Equity Shares or refund of application moneys on account of failure of the Issue. Provided further, in addition to what has been stated above, if the business needs of the Company so require, the Company may alter the capital structure by way of split / consolidation of the denomination of the Equity Shares.

8. Our Promoters, Directors and members of the Promoter Group have not purchased or sold any Equity Shares within six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.

9. The Promoter Group, the Directors of the Company and their relatives have not financed the purchase by any other person of securities of the 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 the Draft Red Herring Prospectus.

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

11. There are no outstanding warrants, financial instruments or any rights, which would entitle the Promoters or the shareholders of the Company or any other person any option to acquire any of the Equity Shares after the Issue.

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

13. As per the RBI regulations, OCBs are not allowed to participate in this Issue.

14. We have not raised any bridge loan against the Net Proceeds. Further, depending on business requirements, we might raise bridge financing facilities, prior to the filing of the Red Herring Prospectus.

15. The Company has not issued any Equity Shares out of revaluation reserves.

16. Neither the BRLMs nor any of its associates hold any Equity Shares in the Company. The BRLMs and its

associates may engage in transactions with and perform services for the Company, Subsidiaries and Joint Venture Companies in ordinary course of business or may engage in commercial banking and investment banking transaction, for which they may in future receive customary compensation.

17. The Equity Shares will be fully paid up at the time of their Allotment.

18. The Company has 19 shareholders as of the date of this Draft Red Herring Prospectus.

19. Our Promoters, members of our Promoter Group and Group Companies and Entities will not participate in this Issue.

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

21. Pursuant to the approval of a scheme of arrangement by the High Court of Andhra Pradesh through an Order dated April 27, 2007 and upon filing of a certified true copy of the Order with the RoC, the undertaking of the Company comprising of business of manufacture and sale of power and steel being carried on by the Company was demerged from the Company together with assets and liabilities transferred to Bollineni Casting and Steel Limited with effect from April 1, 2006. Further, in consideration to the demerger, equity shares of Bollineni Casting and Steel Limited were issued to shareholders of the Company in the ratio of 184 Equity Shares for every 100 Equity Shares held on the record date i.e. May 10, 2007.

22. The Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

23. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalising the basis of Allotment.

24. Not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation to Mutual Funds only and the remaining QIB Portion shall be available for allocation to the QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. Any under-subscription in any category (except QIB category) in the Issue will be allowed to be met with spill-over from any other category or combination of categories in the Issue, at the discretion of the Company in consultation with the BRLMs and the Designated Stock Exchange.

25. No person connected with the Issue, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Subsidiaries, the Joint Venture Companies, the Promoters, members of our Promoter Group and Group Companies and Entities, 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.

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

27. 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 the 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.

28. Except for the Equity Shares allotted pursuant to the Bonus Issuance on February 3, 2011, none of our Promoters, Promoter Group or our Directors have purchased/subscribed/acquired or sold any securities of our Company within three years immediately preceding the date of filing of the Draft Red Herring

Prospectus with the SEBI which in aggregate is equal to or greater than 1% of pre- issue capital of our Company.

OBJECTS OF THE ISSUE

The Issue comprises of the Fresh Issue by the Company and an Offer for Sale by the Selling Shareholders.

Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Objects of the Fresh Issue

The Company proposes to utilise the funds which are being raised through the Fresh Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**"), estimated to be approximately ₹ [●] million, towards funding the following objects (collectively, referred to herein as the "**Objects**"):

(a) Investment in our Subsidiary, BSCPL Aurang for part funding of the construction and development of one of our BOT Project under Development (the **"Aurang Road Project"**), through our wholly owned subsidiary, BIPL;

(b) Repayment/prepayment, in full or part, of the ICICI Facility for a sanctioned amount of ₹ 1,500.00 million availed by our Company; and

(c) General corporate purposes

In addition, the Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges including, we believe, among other things, enhances our visibility and brand.

The main objects clause and objects ancillary to the attainment of the main objects as set out in our Memorandum of Association enables the Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Fresh Issue.

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

Particulars	**Amount** *(₹in million)*
Gross Proceeds from the Fresh Issue	3,500.00
(Less) Issue related expenditure (1) (2)	[●]
Net Proceeds of the Fresh Issue (1)	[●]

(1) To be finalised upon determination of the Issue Price
(2) Only the proportionate Issue- related expenses to be incurred by our Company shall be deducted

The Net Proceeds are estimated to be approximately ₹ [●] million.

Requirement of funds and utilization of Net Proceeds

We intend to utilize the Net Proceeds for financing the above-mentioned Objects. The total fund requirement and detailed utilization of the Net Proceeds is set forth below:

(₹in million)

Sl. No.	**Particulars**	**Total Estimated Project Costs**	**Amount Deployed / Repaid as of February 25, 2013**	**Amount to be financed from Net Proceeds**	**Estimated Schedule of utilization of Net Proceeds as in**		
					Fiscal 2014	**Fiscal 2015**	**Fiscal 2016**
1.	Investment in our	12,360.00(1)	1,206.18(2)	1,300.00	-	822.00	478.00

Sl. No.	Particulars	Total Estimated Project Costs	Amount Deployed / Repaid as of February 25, 2013	Amount to be financed from Net Proceeds	Estimated Schedule of utilization of Net Proceeds as in		
					Fiscal 2014	Fiscal 2015	Fiscal 2016
	Subsidiary - BSCPL Aurang Tollway Limited for part funding construction and development of the Aurang Road Project						
2.	Funding pre-payment or repayment of a term loan availed by our Company	1,515.90(3)	-(3)	1,500.00	-	1,500.00	-
3.	General corporate purposes (4)(5)	-	-	[●]	[●]	[●]	[●]
	Total	[●]	[●]				

(1 Total estimated project cost as per the Common facility Agreement dated June 28, 2012

(2) As per certificate from A.V. Ratnam & Co., Chartered Accountants dated March 4, 2013

(3) As per certificate from A.V. Ratnam & Co., Chartered Accountants dated March 4, 2013 including accrued interest as at February 25, 2013

(4) The amount to be deployed towards general corporate purposes will be determined on finalization of Issue Price in compliance with SEBI Notification dated October 12, 2012 on amendment to SEBI Regulations

(5) To be finalised upon determination of Issue price

The fund requirements and the deployment of funds mentioned above for the Objects are based on the Company's current business plan and on internal management estimates and have not been appraised by any bank or financial institution. In view of the nature of the industry in which we operate, our Company may have to revise its business plan from time to time and consequently its capital requirements may also change. The Company's historical capital expenditure may not be reflective of its future capital expenditure plans.

We operate in highly competitive and dynamic market conditions and we may have to revise the estimated costs, fund allocation and fund requirements for a particular project from time to time. Revisions in our estimates may be due to external factors such as economic and business conditions, geological assessments, exchange or interest rate fluctuations, changes in design and configuration of the projects, increase in input costs of steel and cement, other construction materials and labour costs, incremental rehabilitation, other pre-operative expenses and other external factors, which may not be within the control of our Company's management. These factors may entail re-scheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our Company's management.

Additionally, we may have to revise our estimates from time to time on account of us being awarded new projects, modifications in existing or planned developments, the initiatives we may pursue including any industry consolidation initiatives, such as potential acquisition opportunities. Consequently, our planned allocation of funds may also change accordingly.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects stated above, our Company may explore a range of options such as utilizing its internal accruals and/or obtaining additional debt from lenders. In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be carried forward to the subsequent Fiscals. Until our Company realises the Net Proceeds, it proposes to utilise its internal accruals and/or raise additional debt, to meet the expenditure and/or investment in respect of the Objects, which may be recouped from the Net Proceeds. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance amount will be used for funding our other Objects including general corporate purposes, in accordance with SEBI Regulations.

Details of the Objects

1. Investment in our Subsidiary - BSCPL Aurang Tollway Limited to finance construction and development of the Aurang Road Project, through our wholly owned Subsidiary, BIPL

Details of BSCPL Aurang

BSCPL Aurang is a company incorporated under the laws of India on September 27, 2011 and received the certificate of commencement of business on October 13, 2011. The company has its registered office at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India. BSCPL Aurang is a wholly owned subsidiary of the Company wherein the Company holds 51% of its equity share capital directly and 49% through its wholly owned Subsidiary, BIPL.

Details of the Aurang Concession Agreement

A concession agreement dated January 25, 2012 was entered into between NHAI and BSCPL Aurang Tollways Limited ("**Aurang Concession Agreement**") for four laning of Chattisgarh/Orissa border - Aurang section from kilometre 88.00 to 239.00 on NH-6 in the State of Chhattisgarh on a BOT toll basis - DBFOT pattern. The period of concession is 28 years.

The scope of work under the Aurang Concession Agreement includes construction of the project highway on the project site in accordance with terms and specifications set out in the agreement. Additionally BSCPL Aurang shall operate, maintain and perform all other obligations in accordance with the terms of the Aurang Concession Agreement. The scope of work also includes such other matters that are incidental to or necessary for the performance of the obligations arising pursuant to the agreement. Pursuant to the terms of the Aurang Concession Agreement, BSCPL Aurang is required to, at its own cost, procure finance and undertake the design, engineering, procurement, construction, operation and maintenance of the project. The NHAI shall provide reasonable assistance in applying for and obtaining permits and shall provide a right of way for construction at the project site. The project has attained Financial Closure and the appointed date for the project is February 15, 2013. The expected date of completion is 910 days from the appointed date.

Subsequently, BSCPL Aurang has entered into an EPC Agreement dated June 21, 2012 with our Company for providing construction activities for the Aurang Road Project on a fixed price lump sum turnkey basis.

Details of Cost of the Aurang Road Project

The details of the cost breakup of the Project and the amount deployed as on February 25, 2013 by our Company is as follows:

(₹ in million)

Details	Total Requirement in relation to the Project(1)	Amount deployed as on February 25, 2013 by the Company(2)
EPC Cost (Fixed Assets, Net Current Assets)	10,400.00	1,088.20
Interest during construction	1,279.80	-
Design and Engineering expenses	249.60	-
Preliminary and pre-operative expenses	242.10	117.98
Contingency	188.50	-
Total	**12,360.00**	**1,206.18**

(1) As per the Common Facility Agreement dated June 28, 2012

(2) As per the certificate from A.V. Ratnam & Co., Chartered Accountants dated March 4, 2013

Means of finance

Pursuant to the terms of the Common Facility Agreement dated June 28, 2012, the Restated Common Facility Agreement dated July 23, 2012, the Amendatory Common Facility Agreement dated September 25, 2012 and the Restated Common Facility Agreement dated January 23, 2013, (collectively the "**Common Facility Agreement")** the funding structure for the Aurang Road Project is as under:

(₹in million)

Particulars	Estimated Amount
Senior Debt* - Tranche - I - Tranche - II	 5,400.00 3,160.00 **8,560.00**
Equity	3,800.00
Total	**12,360.00**

The estimated schedule for deployment of ₹12,360.00 million is as follows:

(₹in million)

Deployment Schedule	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Total
Debt	925.50	3353.30	3,204.10	1,077.10	**8,560.00**
Equity infusion other than Net Proceeds	1,899.60	-	600.40	-	**2,500.00**
Equity infusion through Net Proceeds	-	-	822.00	478.00	**1,300.00**
Total	2,825.10	3,353.30	4,626.50	1,555.10	**12,360.00**

Of the total project costs for the Aurang Road Project of ₹ 12,360.00 million, an amount of ₹1,206.18 million has already been infused towards equity contribution into BSCPL Aurang by our Company as on the February 25, 2013. The amount remaining to be expended on the Aurang Road Project is ₹11,153.82 million ("**Stated Means of Finance**").

We confirm that 75% of the Stated Means of Finance, excluding the amounts to be raised through the Net Proceeds and the amounts already deployed, amounting to,₹9,859.00 million, have been tied up as follows:

Additional sources of financing for the Aurang Road Project:

Particulars	**Amount (in ₹million)**
Estimated project costs required for the Aurang Road Project	12,360.00
Amounts already deployed	1,206.18
Funding through Net Proceeds	1,300.00
Stated Means of Finance excluding funding through Net Proceeds	9,853. 82
75.00% of the above	7,390. 36
Arrangements	
Common Facility Agreement and Sanction Letters (1)(2)	8,560.00

(1) Loan availed from ICICI Bank vide Common Facility Agreement dated June 28, 2012

Our Company's total share of equity investment towards funding for the BSCPL Aurang is ₹3,800.00 million of which an amount of ₹1,300.00 million will be funded through the Net Proceeds, through the Company's wholly owned subsidiary, BIPL. Under the Common Facility Agreement, equity shall mean issued, subscribed and fully paid up equity share capital of BSCPL Aurang and includes: (i) equity share capital, (ii) preference share capital, (iii) interest free share application money from the Company/ BIPL and/or (iv) unsecured loans advanced by the Company / BIPL (collectively referred to as **"Aurang Equity"**). All expenses incurred by the Company towards funding the Aurang Road Project from the date of filing of the Draft Red Herring Prospectus till the actual utilization of the Net Proceeds may be recovered from the Net Proceeds.

Our Company will invest ₹1,300.00 million as equity capital in its wholly owned subsidiary, BIPL, which will in turn invest the same as Aurang Equity. Our Company is not assured of any dividend by BIPL and BIPL is not assured of any dividend by BSCPL Aurang. The declaration and payment of dividend by BIPL and BSCPL Aurang are governed by applicable provisions of the Companies Act and Articles of Association of BIPL and BSCPL Aurang and will depend on a number of factors, including results of operations and financial condition of these companies.

2. Pre-payment and/or repayment of term loan facility availed by the Company from ICICI Bank Limited

Our Company has availed a term loan facility from ICICI Bank Limited for a sanctioned amount of ₹1,500.00 million. As of December 31, 2012 the amount outstanding under the ICICI Facility aggregated ₹ 1,515.90 million including accrued interest as on February 25, 2013.

Our Company will utilise an amount of ₹ 1,500.00 million out of the Net Proceeds to prepay/repay the term loan facility availed from ICICI Bank Limited ("**ICICI Facility**").

The ICICI Facility was utilised by the Company to partly finance various BOT Projects. The ICICI Facility has been deployed towards the stated purposes and the same has been certified by A.V. Ratnam & Co., Chartered Accountants vide their certificate dated March 4, 2013.

Details of the ICICI Facility proposed to be repaid/pre-paid out of the Net Proceeds are provided in the table below:

(₹ in million)

Sr. No.	Name of the lender	Date of the loan facility agreement	Sanctioned Amount	Amount Outstanding as on February 25, 2013(1)	Repayment Date/Schedule	Special Covenants	Interest	Amount proposed to be repaid out of the Net Proceeds
1	ICICI Bank Limited	Corporate Rupee Loan Facility Agreement dated March 15, 2012, Amendment Agreement to the Facility Agreement dated March 29, 2012	1,500.00	1,515.90	The loan is to be repaid in 16 equal quarterly instalments, 27 months from first disbursal/drawdown. For additional information on the repayment schedule of the ICICI Facility, see section titled "***Financial Indebtedness***" on page 274	The Company shall pay a prepayment premium of 1.00% of the loan facility. For provisions on mandatory prepayment,see section titled "***Financial Indebtedness***" on page 274	ICICI Base Rate + 2.75%	1,500.00

(1) As per certificate received from A.V. Ratnam & Co., Chartered Accountants dated March 4, 2013

For more details, see '***Financial Indebtedness***' on page 274.

3. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations.

We, in accordance with the policies of our Board, will have flexibility in applying the remaining Net Proceeds of this Issue, (namely the Net Proceeds after investment in our subsidiary, BSCPL Aurang for part funding construction and development of our BOT Project under Development and repayment/prepayment, in full or part, of the ICICI Facility availed by our Company as detailed above), for general corporate purposes, subject to the above mentioned limit, including inter-alia (i) brand building and other marketing expenses; (ii) acquiring fixed assets including land, building, furniture and fixtures, and vehicles; (iii) meeting any expense of our Company and our Subsidiaries, including salaries and wages, rent, administration expenses, insurance related expenses, repairs and maintenance, and the payment of taxes and duties; (iv) meeting expenses incurred in the ordinary course of business; (v) working capital facilities; (vi) funding inorganic or other growth opportunity; (vii) infusion of funds in our subsidiaries by way of equity or debt; and (viii) any other purpose as permissible and as approved by our Board or a duly appointed committee from time to time.

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

Bridge Financing Facilities

We have not raised any bridge loans which are required to be repaid from the Net Proceeds. However, the ICICI Facility and the ICICI Bank Limited loan agreement dated March 14, 2012 and March 31, 2010, respectively, provide for mandatory prepayment of the loans, subject to certain exceptions, upon the occurrence of certain events including an IPO. For details on the terms of the said loan facilities, see section titled *"**Financial Indebtedness**"* on page 274. Additionally, depending upon business requirements, the Company may consider raising bridge financing, pending receipt of the Net Proceeds.

Interim Use of Net Proceeds

The Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, the Company intends to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, corporates and other premium/interest bearing securities. The Company confirms that it shall not use the Net Proceeds for any investment in the equity markets.

Estimated Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The Issue related expenses include, among others, Issue management fees, registrar fees, printing and distribution expenses, fees of the legal counsel, advertisement and road show expenses, stamp duty, depository charges, listing fees to the Stock Exchanges. Except for expenses to be incurred in relation to corporate advertisements and marketing expenses which shall be borne solely by the Company, the Issue expenses shall be shared between our Company and the Selling Shareholders in proportion to the number of Equity Shares contributed by the respective parties to be offered as part of the Issue.

The breakdown of the total expenses to be borne by the Company for the Issue is as follows:

(₹ in million)

Activity	Issue Expense*	As a % of total Issue Expenses	As a % of Issue
Lead management, underwriting and selling commissions	[●]	[●]	[●]
Fees payable to Non Syndicate Registered Brokers	[●]	[●]	[●]
SCSB Commission / processing fee to SCSBs for processing Bid cum Application Forms procured by members of the Syndicate* and Non Syndicate Registered Brokers**	[●]	[●]	[●]
Fees to the Escrow Collection Banks/ Bankers to the Issue and Refund Banks.	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and stationery	[●]	[●]	[●]
Registrar's fees	[●]	[●]	[●]
Other (legal fees, auditor's fees, fee for bankers to the issue, SEBI fees, grading expenses, listing fees etc.)	[●]	[●]	[●]
Total Issue Expenses	[●]	[●]	[●]

**To be completed upon finalisation of the Issue Price.*

***Inclusive of applicable taxes*

Pursuant to clause 49 of the Listing Agreement, the Company shall on a quarterly basis disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, the Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement will be certified by the statutory auditors of the Company.

Pursuant to clause 43A of the Listing Agreement, the Company shall be required to inform material deviations in the utilisation of Issue proceeds to the Stock Exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee public through advertisement in newspapers.

Other confirmations

Except as stated above, no part of the proceeds from the Issue will be paid by the Company as consideration to its Promoters, Directors, Group Companies or Key Managerial Personnel, except in the normal course of its business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company and the Selling shareholders in consultation with the BRLMs on the basis of an assessment of market demand for the 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. Investors should review the entire Draft Red Herring Prospectus, including the sections titled "***Risk Factors***", "***Industry Overview***", "***Our Business***" "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Statements***" on pages 22, 126, 147, 241 and 240 respectively, before making an investment decision.

Qualitative Factors

Competitive Strengths

- Demonstrated project execution capabilities;
- Pre-qualification for bidding and ability to work successfully in partnerships ;
- Strong and diverse Order Book;
- Ability to execute projects in a timely and cost effective manner;
- Proven ability to partner with key associates including joint venture partners and private equity investors and reputed customer base; and
- Experienced management team with project execution and operations expertise.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer to the sections titled "***Our Business - Competitive Strengths***" and "***Risk Factors***" on pages 151 and 22, respectively.

Quantitative Factors

Information presented in this section is derived from our Financial Statements.

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

1. ***Basic and Diluted Earnings per Share ("EPS") (Rs.)***

Sl. No	Fiscal Year ended March 31	Restated Consolidated Basic and Diluted EPS (₹)	Restated Unconsolidated Basic and Diluted EPS (₹)	Weight
1.	2012	11.60	18.25	3
2.	2011	21.72	21.56	2
3.	2010	32.46	31.48	1
	Weighted Average	**18.45**	**21.56**	
4.	Six months ended September 30, 2012 (not annualised)	21.74	23.00	

2. Price Earning Ratio (P/E) in relation to the Issue price of ₹[●] per Equity Share

Sl. No	Particulars	Consolidated	Unconsolidated
1.	P/E ratio based on Basic and Diluted EPS for the financial year ended March 31, 2011 at the Floor Price:	[●]	[●]
2.	P/E ratio based on Basic and Diluted EPS for the financial	[●]	[●]

Sl. No	Particulars	Consolidated	Unconsolidated
	year ended March 31, 2011 at the Cap Price:		
3.	**Industry P/E***		
A.	Highest	23.65	
B.	Lowest	7.73	
C.	Industry Composite	14.27	

*Note: The Industry high and low, for the Industry P/E calculated above has been considered from the Industry Peer Set provided below. The Industry composite has been calculated as the arithmetic average P/E of the Industry peer set provided below, based on consolidated EPS numbers. For further details, see "**Comparison with Listed Industry Peers**" below.*

2. *Return on Net Worth (RoNW)*

Sl. No	Fiscal Year ended March 31	Consolidated (%)	Unconsolidated (%)	Weight
1.	2012	4.22	6.45	3
2.	2011	8.27	8.14	2
3.	2010	13.47	12.95	1
	Weighted Average	7.11	8.10	
4.	**For the six month period ended September 30, 2012 (not annualised)**	**7.33**	**7.52**	

4. Minimum Return on Total Net Worth after Issue needed to maintain pre-Issue EPS for the year ended March 31, 2012

Based on Basic and Diluted EPS

At the Floor Price – [●] % and [●] % based on Restated Unconsolidated and Consolidated financial statements respectively.

At the Cap Price – [●] % and [●] % based on Restated Unconsolidated and Consolidated financial statements respectively.

5. Net Asset Value

Adjusted NAV (Consolidated) as at March 31, 2012	:	₹ 275.03 per Equity Share
Adjusted NAV (Unconsolidated) as at March 31, 2012	:	₹ 282.95 per Equity Share
Issue price	:	₹ [●] per Equity Share
NAV (Consolidated) after the Issue	:	₹ [●] per Equity Share
NAV (Unconsolidated) after the Issue	:	₹ [●] per Equity Share

6. Comparison with listed industry peers *

	Name of the Company	For the year ended March 31, 2012					
		Face Value (₹)	Total Income (1) (₹ in million)	Basic EPS (2) (₹)	P/E (3)	RoNW (4) (%)	NAV (5) (₹)
1.	BSCPL Infrastructure Limited#	10.00	18530.83	11.60	N.A.	4.22%	275.03
	Peer Group						
2.	Ashoka Buildcon Limited	10.00	15,354.25	23.70	8.86	12.24	193.59
3.	Era Infra Engineering	2.00	44,124.15	10.42	12.95	8.41	96.98

	Name of the Company	For the year ended March 31, 2012					
		Face Value (₹)	Total Income [(1)] (₹ in million)	Basic EPS [(2)] (₹)	P/E [(3)]	RoNW [(4)] (%)	NAV [(5)] (₹)
	Limited						
4.	IL&FS Transportation Networks Limited	10.00	57,294.28	25.48	7.73	18.00	142.12
5.	IRB Infrastructure Developers Limited	10.00	13,959.55	4.99	23.65	10.94	45.64
6.	IVRCL Limited[(6)]	2.00	77,201.87	(4.04)	N.A.[(7)]	N.A.[(7)]	107.71
7.	NCC Limited	2.00	66,867.70	2.14	19.04	2.02	105.98
8.	Sadbhav Engineering Limited	1.00	28,936.20	8.14	13.39	10.42	78.03
	Industry Composite				**14.27**		

 # Source: As per the consolidated Financial Statements for Fiscal 2012

Note 1: Total Income is as sourced from the annual reports of the companies

Note 2: Basic EPS refer to the basic EPS sourced from the annual reports of the companies

Note 3: P/E Ratio has been computed as the closing market prices of the companies on the BSE Limited sourced from the BSE website as on February 22, 2013, as divided by the basic EPS provided under Note 2

Note 4: RoNW has been computed as net profit after tax divided by the net worth of these companies. Net worth has been computed as sum of share capital and reserves (excluding revaluation reserves)

Note 5: NAV is computed as the closing net worth of these companies, computed as per Note 4, divided by the closing outstanding number of fully paid up equity shares as sourced from the annual reports for the company as on March 31, 2012

Note 6: T*he financial year of the Company had been extended by three months to close on 30th June, 2012*

Note 7: Not Applicable as the Profit after Tax is negative for the Company for the financial year ended June 30, 2012

7. The Issue Price will be [●] times of the face value of the Equity Shares.

STATEMENT OF TAX BENEFITS

To

The Board of Directors
BSCPL Infrastructure Limited
JIVI Towers, 8-2-502/1/A,
Road No.7, Banjara Hills,
Hyderabad – 500034,
India

Dear Sirs,

S R B C & CO (SRBC) and Anjaneyulu & Co (Anjaneyulu) (SRBC and Anjaneyulu collectively referred to as 'we' or 'our') hereby jointly confirm that the enclosed annexure, prepared by BSCPL Infrastructure Limited ('the Company') states the possible tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') and the Wealth Tax Act, 1957 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The Direct Tax Code (which consolidates the prevalent direct tax laws) is proposed to come into effect from April 1, 2013. However, it may undergo a few more changes by the time it is actually introduced and hence, at the moment, it is unclear what effect the proposed Direct Tax Code would have on the Company and the investors.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

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

► the conditions prescribed for availing the benefits, where applicable have been/would be met.

For S R B C & CO
Chartered Accountants
Firm Registration Number: 324982E

Per Jayanta Mukhopadhyay
Partner
Membership No.: 055757
Hyderabad
Date: February 21, 2013

For Anjaneyulu & Co
Chartered Accountants
Firm Registration Number: 000180S

per D.V. Anjaneyulu
Partner
Memberships No.: 021306
Hyderabad
Date: February 21, 2013

STATEMENT OF TAX BENEFITS

The information provided below sets out the possible tax benefits available to BSCPL Infrastructure Limited ("the Company") and its equity shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of *an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION AS WELL AS IN RESPECT OF THE POSSIBLE BENEFITS AVAILABLE TO THE COMPANY.

Levy of Income Tax

As per the provisions of the Income-Tax Act, 1961 as amended by Finance Act, 2012(the "Act"), taxation of a person is dependent on its tax residential status. The Indian tax year runs from April 1 to March 31. We summarize herein below the provisions relevant for determination of residential status of a tax payer.

As per the provisions of the Act, an **individual** is considered to be a **resident in India** during any financial year ("FY") if he or she is present in India for:

(i) a period or periods aggregating to 182 days or more in that FY; or

(ii) a period or periods aggregating to 60 days or more in that FY and for a period or periods aggregating to 365 days or more within the four preceding years; or

(iii) in the case of a citizen of India or a person of Indian origin living abroad who visits India and in the case of a citizen of India who leaves India for the purposes of employment outside India in any FY, the limit of 60 days under point (ii) above, shall be read as 182 days.

A **company** is resident in India if it is formed and incorporated in accordance with the provisions of the Companies Act, 1956 and has its registered office in India or the control and management of its affairs is situated wholly in India.

A **firm or other association of persons** is resident in India except when the control and management of its affairs is situated wholly outside India during the relevant FY.

A person who is not a resident in India would be regarded as **'Non-Resident'**. Subject to complying with certain prescribed conditions, individuals may be regarded as 'Resident but not ordinarily resident'.

In general, in the case of a person who is "resident" in India in a tax year, is subject to tax in India on its global income. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India is subject to tax in India. In the instant case, the income from the Equity Shares of the Company would be considered to accrue or arise in India, and would be taxable in the hands of all persons irrespective of residential status. However, relief may be available under applicable Double Taxation Avoidance Agreement ("DTAA") to certain non-residents.

Tax Considerations

As per the taxation laws in force, the tax benefits / consequences, as applicable, to the Company and its Equity Shareholders investing in the equity shares are summarized below. Several of these benefits are dependent on the Company or its equity shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon the fulfilling such conditions.

1 BENEFITS AVAILABLE TO THE COMPANY - UNDER THE ACT

Special Tax Benefits

1.1 Subject to compliance with certain conditions laid down under Section 80-IA of the Act, a deduction of an amount equivalent to 100% of the profits derived by an enterprise from the business of developing, operating and maintaining any notified infrastructure facility is available for any 10 consecutive assessment years out of 15 / 20 years (depending upon on the nature of infrastructural facility) beginning from the year in which undertaking or enterprise develops and begins to operate the infrastructure facility.

1.2 The Company is engaged in the business of conceptualising, setting up, developing and maintaining infrastructure facility as defined under Explanation to Section 80-IA(4) of the Act in India . The individual identified projects are domiciled into Special Purpose Vehicles and the Company acquires stake in the said Special Purpose Vehicles. The Special Purpose Vehicles are entitled to deductions, subject to fulfilment of conditions, under the provisions of Section 80IA of the Act. In a situation where, the income of Special Purpose Vehicles is eligible for deduction u/s 80IA, the group comprising of the Company and the Special Purposes Vehicles will derive substantial tax benefit.

1.3 While deduction under the Act is allowed for profits derived from eligible business under Section 80-IA of the Act, however, while computing "book profit" as per Section 115JB of the Act, Minimum Alternate Tax ("MAT") at 18.5% (as increased by applicable surcharge of 5%, if the company's total income under Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%) will be required to be paid by the Company on such profits, irrespective of the tax benefits available under Section 80-IA of the Act.

General Tax Benefits

1.4 **Dividends exempt under Section 10(34) of the Act**

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after 1 April 2003) received from a domestic company is exempt in the hands of the Company / shareholders, if such dividends are subject to Dividend Distribution Tax ("DDT") under Section 115-O.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Income Tax Rules, 1962 ("Rules").

However, the Company will be liable to pay DDT at 15% (as increased by applicable surcharge of 5%, education cess and secondary and higher education cess of 3%) on the total amount declared, distributed or paid as dividends. In calculating the amount of dividend on which DDT is payable, dividends (if any, received by the Company during the tax year), subject to fulfillment of the following conditions, shall be reduced:

- such dividend is received from a subsidiary of the Company (A company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the company); and
- such subsidiary has paid the tax which is payable under section 115O of the Act on such dividend.

1.5 Under Section 10(35) of the Act, the following income shall be exempt in the hands of the Company:

i) Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10; or

ii) Income received in respect of the units from the Administrator of the Specified undertaking; or

iii) Income received in respect of units from the specified company.

1.6 Under Section 32(1) of the Act, the Company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures, etc and intangible assets defined to include patent, trademark, copyright, know-how, licenses, franchises or any other business or commercial rights of similar nature, if such intangible assets are acquired after 31 March 1998.

1.7 Under Section 32(2) of the Act, where full effect cannot be given to any depreciation allowance under Section 32(1) of the Act in any FY, owing to there being no profits or gains chargeable to tax for that FY, or owing to the profits or gains chargeable being less than depreciation allowance, then, subject to the provisions of Section 72(2) and Section 73(3) of the Act, depreciation allowance or the part of depreciation allowance to which effect has not been given, as the case may be, shall be added to the amount of the depreciation allowance for the following FY and deemed to be part of that depreciation allowance, or if there is no such depreciation allowance for that FY, be deemed to be the depreciation allowance for that FY, and so on for the succeeding FYs.

1.8 Under Section 115JAA(2A) of the Act, tax credit shall be allowed in respect of MAT paid under Section 115JB of the Act for any assessment year commencing on 1 April 2006 and any subsequent assessment year. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. The credit is available for set off only when tax becomes payable under the normal provisions of the Act. The tax credit can be utilized to extent of difference between tax payable under the normal provisions of the Act and tax payable under MAT for that year. Credit in respect of MAT paid for AY 2011-2012 and any subsequent AYs shall be available for set-off up to 10 assessment years immediately succeeding the assessment year for which the MAT credit initially arose.

1.9 **Income from House Property**

1.9.1 Under Section 24(a) of the Act, the Company is eligible for standard deduction of 30% of the annual value of the property (i.e. actual rent received or receivable on the property or any part of the property which is let out); where the company has income chargeable to tax under the head ***"Income from House Property"***.

1.9.2 Further, under Section 24(b) of the Act, where the house property has been acquired, constructed, repaired, renewed or reconstructed with borrowed capital, the amount of interest payable on such capital shall be allowed as a deduction in computing the income, if any, from such house property. In respect of property acquired or constructed with borrowed capital, the amount of interest payable for the period prior to the year in which the property has been acquired or constructed shall be allowed as deduction in computing the income from house property in five equal installments beginning with the year of acquisition or construction.

1.10 **Capital Gains**

1.10.1 Capital assets may be categorized into short-term capital assets and long-term capital assets, based on the period of holding. Shares in a company, listed securities or units or zero coupon bonds will be considered as long-term capital assets if they are held for a period exceeding 12 months.

1.10.2 Under Section 10(38) of the Act, long-term capital gains arising from transfer of a long-term capital asset (being an equity share in the company or a unit of an equity oriented fund), where such transaction is chargeable to Securities Transaction Tax ("STT"), would not be liable to tax in the hands of the Company.

For this purpose "Equity oriented fund" means a fund -

i) Where the investible funds are invested by way of equity shares in the domestic companies to the extent of more than 65% of the total proceeds of such funds; and

ii) Which has been set up under a scheme of a Mutual fund specified under Section 10(23D).

However, the long-term capital gains arising on sale of share or units as referred above shall not be reduced while calculating the book profit under the provisions of Section 115JB of the Act. In other words, the book profit shall include profits arising from the sale of such shares or units and recorded in the financial statements of the company prepared as per Schedule VI of the Companies Act, 1956. The company will be required to pay MAT @ 18.5% (as increased by applicable surcharge of 5%, if the company's total income under Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%) on such book profit.

1.10.3 Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, a deduction of indexed cost of acquisition is available. Indexed cost of acquisition means the cost of acquisition multiplied by Cost Inflation Index ("CII") of the year in which the asset is transferred, and divided by the CII of the first year in which the asset was held by the assessee.

1.10.4 Under Section 112 of the Act, long-term capital gains [to the extent not exempt under Section 10(38) of the Act] would be subject to tax at a rate of 20% (as increased by applicable surcharge of 5%, if the company's total income under Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%). However, as per the proviso to Section 112(1) of the Act], if the tax on long-term capital gains resulting from transfer of listed securities or units [to the extent not exempt under section 10(38), calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at a concessional rate of 10% (as increased by applicable surcharge of 5%, if the company's total income under Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%) without allowance of indexation benefit.

1.10.5 Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the company would be exempt from tax if such capital gains is invested within six months after the date of such transfer in specified assets, being bonds issued by

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988 ("NHAI");

b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956 ("REC").

The investment made in such bonds during any FY cannot exceed ₹5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

1.10.6 Under Section 111A of the Act, short-term capital gains arising on transfer of equity share in the company would be taxable at 15% (as increased by applicable surcharge of 5%, if the company's total income under the Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%) where such transaction of sale is entered into on a recognized stock exchange in India and STT has been paid on the same. Short-term capital gains arising from transfer of shares in the Company, other than those covered by Section 111A of the Act, would be subject to tax under the normal provisions of the Act.

1.11 Under Section 72(1) of the Act, where for any FY, the net result of the computation under the head "Profits and Gains of Business or Profession" is a loss to the Company (not being a loss sustained in a speculation business), then to the extent to which such loss cannot be set off against income from any other head of income for the same year, it shall be eligible to be carried forward and available for set off only against income from business under head "Profits and Gains of Business or Profession" for subsequent years. As per Section 72(3) of the Act, the loss so carried forward can be set off subject to a limit of 8 FYs immediately succeeding the FY for which the loss was first computed. However, as per Section 80 of the Act, only a loss which has been determined in pursuance of a return filed within the due date in accordance with the provisions of Section 139(3) of the Act shall be carried forward and set off under Section 72(1) of the Act.

2 BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS UNDER THE ACT

Special Tax Benefits

The special tax benefits available to the Company as discussed under paragraph 1.1 to 1.3 are not available to resident shareholders. However, the shareholders are entitled to some of the general tax benefits which are discussed herein below.

General Tax Benefits

2.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after 1 April 2003) received from a domestic company is exempt in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

The Company, however, shall be liable to pay DDT on such dividends as discussed in paragraph 1.4.

2.2. Capital gains

2.2.1. Capital assets may be categorized into short term capital assets and long term capital assets, based on the period of holding. Equity Shares held in the Company will be considered as long term capital assets if they are held for a period exceeding 12 months. Consequently, capital gains arising on sale of such assets held for more than 12 months are considered as "long term capital gains". Capital gains arising on sale of said assets held for 12 months or less are considered as "short term capital gains".

2.2.2. Section 48 of the Act, prescribes the mode of computation of capital gains, and provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, a deduction of indexed cost of acquisition is available. Indexed cost of acquisition means the cost of acquisition multiplied by CII of the year in which the asset is transferred, and divided by the CII of the first year in which the asset was held by the assessee.

2.2.3. Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of Equity Shares in the Company or a unit of an equity oriented fund are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same. However, in case of shareholder being a company, profits on transfer of above referred long term capital asset shall not be reduced in computing the "book profit" for the purposes of computation of MAT under Section 115 JB of the Act (refer paragraph 1.10.2).

2.2.4. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of Equity Shares of the Company would be exempt from tax if such capital gains is invested in certain notified bonds within six months after the date of such transfer in specified assets, being bonds issued by NHAI and REC.

The investment made in such bonds during any FY cannot exceed ₹5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

2.2.5. As per provision of Section 54F of the Act, long term capital gains [not being long term capital gains covered under Section 10(38) of the Act] arising from transfer of the any capital asset (not being residential house property) held by an Individual or Hindu Undivided Family ("HUF") will be exempt from tax, if net consideration is utilised, within a period of one year before or two years after the date of transfer, for purchase of a residential house, or for construction of a residential house within three years.

2.2.6. As per the provisions of Section 71, if there is a loss under the head "Capital Gains", it cannot be set-off with the income under any other head. Section 74 provides that the short term capital loss can be set-off against both short term and long term capital gain. However, long term capital loss cannot be set-off against short term capital gain. The unabsorbed short term and long term capital loss can be carried forward for next eight assessment years and can be set off against the short term capital gains and long term capital gains respectively in subsequent years.

2.2.7. Under Section 112 of the Act, long term capital gains, [other than those exempt under Section 10(38) of the Act] arising on transfer of listed Equity Shares in the Company, would be subject to tax at a rate of 20% (as increased by applicable surcharge of 5%, if the company's total income under Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%) after indexation or 10% (as increased by applicable surcharge of 5%, if the company's total income under Act exceeds ₹10,000,000, education cess and secondary and higher education cess of 3%) without indexation, whichever is lower (refer paragraph 1.10.4).

2.3. **Business Profits**

2.3.1. Where the Equity Shares form part of stock-in-trade, any income realized from disposition of the equity shares will be chargeable under the head "Profits and gains of business or profession" as per the provisions of the Act.

The nature of the equity shares (i.e. whether held as 'stock-in-trade' or as 'investment') is usually determined inter-alia on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases and sales and the ratio between purchases and sales and the holding.

2.3.2. As per Section 36(1)(xv) of the Act, an amount equal to the STT paid by the assessee in respect of the taxable securities transactions entered into in the course of his business during the previous year will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession".

2.4. **Income from other sources [Section 56(2)(vii)]**

With effect from 1 October 2009, where any property, other than immovable property (including shares) is received by an individual/ HUF-

i) without consideration and the aggregate fair market value of such property exceeds ₹50,000, or

ii) for a consideration which is less than the aggregate fair market value of such property by at least ₹50,000, then the difference between fair market value and consideration paid will be taxable as income from other sources.

This provision is applicable only to shares which are held by the shareholders as a capital asset.

This provision is not applicable where shares are received in any of the following modes, namely –

i) From any relative (the term relative has been defined for this purpose of the Act);

ii) On the occasion of marriage of the individual;

iii) Under a will or by way of inheritance;

iv) In contemplation of death of the payer or donor;

v) From any local authority as defined in Explanation to Section 10(20);

vi) From any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to in Section 10(23C); or

vii) From any trust or institution registered under section 12AA.

3 BENEFITS AVAILABLE TO NON-RESIDENTS (OTHER THAN FOREIGN INSTITUTIONAL INVESTORS) UNDER THE ACT

General Tax Benefits

3.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after 1 April 2003) received from a domestic company is exempt in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

The Company, however, shall be liable to pay DDT on such dividends as discussed in paragraph 1.4.

3.2. Capital gains

3.2.1. Capital assets may be categorized into short term capital assets and long term capital assets, based on the period of holding. Equity Shares held in the Company will be considered as long term capital assets if they are held for a period exceeding 12 months. Consequently, capital gains arising on sale of such assets held for more than 12 months are considered as "long term capital gains". Capital gains arising on sale of said assets held for 12 months or less are considered as "short term capital gains".

3.2.2. Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of Equity Shares in the Company are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same. However, in case of shareholder being a company and liable to MAT in India, profits on transfer of above referred long term capital asset shall not be reduced in computing the "book profit" for the purposes of computation of MAT under Section 115JB of the Act (refer paragraph 1.10.2).

3.2.3. Section 48 of the Act contains special provisions relating to computation of capital gains, in the hands of non-residents arising from transfer of shares of an Indian company which were purchased in foreign currency. Computation of capital gains has to be done by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of consideration into the same currency that was initially used to acquire such shares. The capital gain (i.e. sale proceeds less cost of acquisition) computed in the original foreign currency is then converted into Indian Rupees at the prevailing exchange rate. Non-resident shareholders are not entitled to indexation benefit.

3.2.4. As per the provisions of Section 112 of the Act, long-term capital gains as computed above [to the extent not exempt under Section 10(38) of the Act] would be subject to tax at a rate of 20% (as increased by applicable surcharge of 2%, where the tax payer is a foreign company, education cess and secondary and higher cess of 3%) However, as per the proviso to Section 112(1), if the tax on long-term capital gains resulting on transfer from listed securities or units [to the extent not exempt under section 10(38) of the Act], calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at a concessional rate of 10% (as increased by applicable surcharge of 2%, where the tax payer is a foreign company, education cess and secondary and higher cess of 3%).

3.2.5. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of Equity Shares of the Company would be exempt from tax if such capital gains is invested within six months after the date of such transfer in specified assets, being bonds issued by (to the extent permitted under prevalent laws) NHAI and REC.

The investment made in such bonds during any FY cannot exceed ₹5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

3.2.6. As per provision of Section 54F of the Act, long term capital gains not being long term capital gains covered under Section 10(38) of the Act] arising from transfer of the any capital asset (not being residential house property) held by an Individual or HUF will be exempt from tax, if net consideration is utilised, within a period of one year before or two years after the date of transfer, for purchase of a residential house, or for construction of a residential house within three years.

3.2.7. As per the provisions of Section 111A of the Act, short-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be subject to tax at the rate of 15% (as increased by applicable surcharge of 2%, where the tax payer is a foreign company, education cess and secondary and higher cess of 3%) in addition to the other requirements, as specified in the said Section. Short-term capital gains arising from transfer of assets other than those covered by Section 111A of the Act, would be subject to tax at normal rates.

3.3. **Business Profits**

3.3.1. Where the Equity Shares form part of stock-in-trade, any income realized from disposition of the equity shares will be chargeable under the head "Profit and gains of business or profession" as per the provisions of the Act.

3.3.2. The nature of the equity shares (i.e. whether held as 'stock-in-trade' or as 'investment') is usually determined inter-alia on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases and sales and the ratio between purchases and sales and the holding.

3.3.3. As per Section 36(1)(xv) of the Act, an amount equal to the STT paid by the assessee in respect of the taxable securities transactions entered into in the course of his business during the previous year will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession".

3.4. **Taxability as per DTAA**

The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the tax treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of Section 90(2) of the Act, the provision of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the non-resident.

3.5. **Special benefit available to Non-resident Indian Shareholders**

In addition to some of the general benefits available to non-resident shareholders, where equity shares of the Company have been subscribed by Non-Resident Indians ("NRI") i.e. an individual being a citizen of India or person of Indian origin who is not a resident, in convertible foreign exchange, they have the option of being governed by the provisions of Chapter XIIA of the Act, which *inter alia* entitles them to the following benefits:

3.5.1. In accordance with section 115E, income from investment or income from long- term capital gains on transfer of assets other than specified asset (including shares of an Indian company) shall be taxable at the rate of 20% in the hands of a Non-Resident Indian. Income by way of long term capital gains in respect of a specified asset [as defined in section 115C (f) of the Act], shall be chargeable at 10%.

3.5.2. Under provisions of Section 115F of the Act, any long term capital gains arising from the transfer of a foreign exchange asset arising to a NRI shall be exempt from tax if the whole or any part of the net consideration is reinvested in any specified assets within six months of the date of the transfer. If only a part of the net consideration is reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax as "capital gains" subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition. The taxability shall arise in the year in which the transfer or conversion, as the case may be, takes place.

3.5.3. As per the provisions of Section 115G of the Act, NRIs are not required to file a return of income under Section 139(1) of the Act, if the income chargeable under the Act consists of only investment income or capital gains arising from the transfer of specified long term capital asset or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and provided tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the Act.

3.5.4. As per the provision of Section 115H of the Act, where a person who is NRI in any previous year, becomes assessable as resident in India in respect of total income of any subsequent year, the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income derived from any foreign exchange asset being an assets specified under sub clause (ii), (iii), (iv) or (v) of Section 115(C)(f) for that assessment year and for every subsequent assessment year until there is transfer or conversion of such asset. For this provision to apply, NRI is required to file a declaration along with his return of income for the assessment year in which he becomes assessable as resident in India.

3.5.5. In accordance with section 115-I, where a Non-Resident Indian opts not to be governed by the provisions of Chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Act.

4 BENEFITS AVAILABLE TO A FOREIGN INSTITUTIONAL INVESTOR ("FII") UNDER THE ACT

4.1. **Dividends exempt under Section 10(34)**

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after 1 April 2003) received from a domestic company is exempt in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

The Company, however, shall be liable to pay DDT on such dividends as discussed in paragraph 1.4.

4.2. **Capital gains**

4.2.1. Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of Equity Shares in the Company are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same. However, in case of foreign companies subject to MAT in India, long term capital gain so earned may be required to be taken into account in computing the book profit for the purpose of computation of MAT under Section 115JB of the Act.

4.2.2. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of Equity Shares of the Company would be exempt from tax if such capital gains is invested within six months after the date of such transfer in specified assets, being bonds issued by (to the extent permitted under prevalent laws) NHAI and REC.

The investment made in such bonds during any FY cannot exceed ₹5,000,000.

If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

4.2.3. Under Section 115AD(1)(ii) of the Act, short term capital gains on transfer of Equity Shares shall be chargeable at 30% or 15% (where such transaction of sale is entered on a recognized stock exchange in India and STT has been paid on the same), as the case may be. The above rates are to be increased by applicable surcharge of 2%, where the tax payer is a foreign company, education cess and secondary and higher cess of 3%.

Under Section 115AD (1)(iii) of the Act, long term capital gains arising from the transfer of Equity Shares (in cases not covered under Section 10(38) of the Act) of a Company shall be taxable at 10% (as increased by applicable surcharge of 2%, where the tax payer is a foreign company, education cess and secondary and higher cess of 3%) . It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.

However, where the Equity Shares form a part of stock-in-trade, any income realised in the disposition of such Equity Shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the Equity Shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc.

If the income realised from the disposition of Equity Shares is chargeable to tax in India as business income, FIIs could claim deduction under Section 36(1)(xv) of the Act with respect to STT paid on purchase/sale of Equity Shares while computing taxable income. Business profits may be subject to tax at the rate of 30% / 40% (depending on the type of FII) plus applicable surcharge and education cess.

4.3. **Taxability as per DTAA**

The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the tax treaty, if any, between India and the country in which the FII has fiscal domicile. As per the provisions of Section 90(2) of the Act, the provision of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the FII. Where FII treat the income realized from disposition of Equity Shares as business profits and it does not have permanent establishment in India, such income of FII may not be subject to tax in India.

4.4. **Tax Deduction At Source**

Generally, in case of non residents, tax, (including surcharge and education cess) on the capital gains, if any, is withheld at source by the buyer in accordance with the relevant provisions of the Act. However, no deduction of tax is required to be made from any income by way of capital gains arising from the transfer of securities (referred to in Section 115AD of the Act) payable to FIIs.

5 BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

As per the provisions of Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India would be exempt from income-tax, subject to the conditions as the Central Government may by notification in the Official Gazette specify in this behalf. However, the Mutual Funds shall be liable to pay tax on distributed income to unit holders under Section 115R of the Act.

6 BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES/ FUNDS

Under Section 10(23FB) of the Act, any income of Venture Capital Companies/Funds (set up to raise funds for investment in 'venture capital undertaking') registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. 'Venture capital undertaking' means a domestic company whose shares are not listed in a recognized stock exchange in India and which is engaged in following:

i) business of-

a) nanotechnology;

b) information technology relating to hardware and software development;

c) seed research and development;

d) bio-technology;

e) research and development of new chemical entities in the pharmaceutical sector;

f) production of bio-fuels;

g) building and operating composite hotel-cum-convention centre with seating capacity of more than three thousand; or

h) developing or operating and maintaining or developing, operating and maintaining any infrastructure facility as defined in the Explanation to clause (i) of Section 80IA(4) of the Act; or

ii) dairy or poultry industry.

As per section 115U of the Act, any income derived by a person from his investment in venture capital companies/ funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

7 SECURITIES TRANSACTION TAX

All transactions entered into on a recognised stock exchange in India will be subject to STT levied on the transaction value at applicable rates. In case of purchase / sale of Equity Shares settled by way of actual delivery or transfer of the equity shares, STT will be levied at 0.125% on both the buyer and seller of the equity shares. For sale of Equity Shares settled otherwise than by way of actual delivery or transfer of the equity shares, STT will be levied at 0.025% on the seller of the Equity Share. The STT can be claimed as deduction while computing taxable business income as per the provisions of the Act, provided the gains on the transactions are offered to tax as business income and not as capital gains.

8 CAPITAL LOSS SET OFF

In general terms, loss arising from transfer of a capital asset in India can only be set off against capital gains. Long term capital loss arising on sale of equity shares not subjected to STT during a year is allowed to be set-off only against long term capital gains. A short term capital loss can be set off against capital gains whether short term or long term. To the extent that the loss is not absorbed in the year of transfer, it may be carried forward for a period of 8 years immediately succeeding the year for which the loss was first determined and may be set off against the capital gains assessable for such subsequent years. In order to set off a capital loss as above, the investor (resident/ non-resident) is required to file appropriate and timely returns in India.

9 DTAA BENEFITS

An investor has an option to be governed by the provisions of the Act or the provisions of DTAA that India has entered into with the country of residence of the investor, whichever is more beneficial.

10 IMPLICATIONS OF GIFT UNDER THE ACT

10.1. As per Section 56(2)(vii) of the Act, any property (including Equity Shares of the Company) which in the nature of capital asset of the recipient, other than immovable property is received by an individual/ HUF:

a. without consideration, where the aggregate fair market value of such property exceeds ₹50,000, then such aggregate fair market value; or

b. for a consideration which is less than the aggregate fair market value of such property by more than ₹50,000, then such difference between the fair market value and the actual consideration paid

would be taxable as income from other sources. However, this is not applicable where shares are received from certain specific persons (such as relatives etc.) and/ or in specified circumstances (on occasion of marriage etc.) as mentioned in Section 56(2)(vii) of the Act.

11 BENEFITS AVAILABLE UNDER THE WEALTH-TAX ACT, 1957

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

12 BENEFITS AVAILABLE UNDER THE GIFT-TAX ACT, 1958

Gift tax is not leviable in respect of any gifts made on or after 1 October 1998. Therefore, any gift of shares will not attract gift tax.

Notes:

- *The above Statement of Tax Benefits sets out the provisions of law (i.e. the Act as amended by the Finance Act 2012and Wealth Tax Act, 1957) presently in force in India, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;*

- *The above Statement of Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws (i.e. the Act as amended by the Finance Act 2012and Wealth Tax Act, 1957) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;*

- *This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her/ its own tax consultant with respect to the specific tax implications arising out of their participation in the issue;*

- *In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile;*

- *The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders;*

- *The tax rates (including rates for tax deduction at source) mentioned in this Statement is applicable for AY 2013-14; and*

- *Please note that we have not considered the provisions of Direct Tax Code Bill 2010 for the purpose of this Statement.*

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from reports of various government agencies, market research reports and other publicly available sources. This data may have been reclassified by us for the purpose of presentation. This includes the information available on the websites of, in the reports of and/or from the databases of, the Government of India and the Reserve Bank of India. This also includes the information available from reports or databases of CRISIL. Neither we nor any other person connected with the Issue has verified this information. Industry reports and publications generally state that their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and investment decisions should not be based on such information. Accordingly, prospective investors are advised not to unduly rely on the information in this section when making their investment decisions.

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The Indian Economy

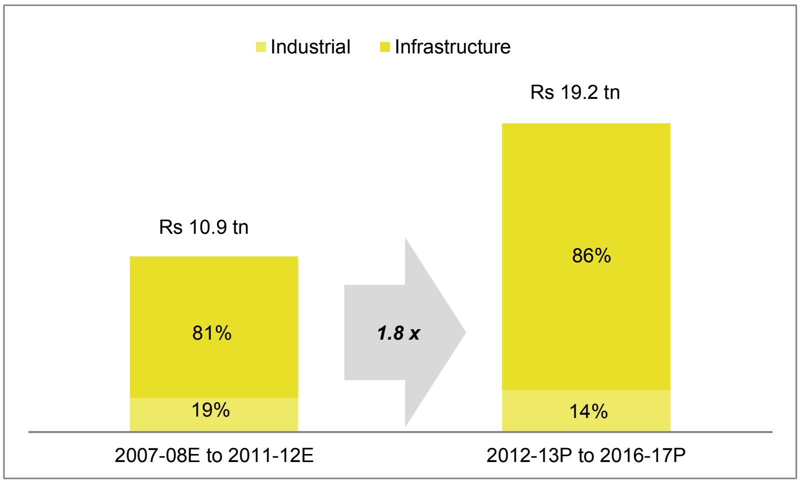
India, had a population of over 1,205 million people and a GDP of approximately US$ 4.735 trillion in 2012 on purchasing power parity ("**PPP**") basis, this makes it the fourth largest economy in the world on PPP basis after the European Union, the United States, and China, according to the CIA World Factbook (2012). The Indian economy has emerged with remarkable rapidity from the slowdown caused by the global financial crisis of 2007-09 with growth in 2010-11 at 9.3% by the Revised Estimates released on January 31, 2013. Growth has been estimated at 6.2% in 2011-12 as per the Revised Estimates and 5.0% in 2012-2013 as per the Advanced Estimates released on February 7, 2013 by the Centers Statics Office.

Globally, the momentum of recovery appears to be stalling. high oil and commodity prices, the Middle East political strife, the Japanese earthquake, sovereign debt problems in the Euro zone and the impasse on the fiscal and debt problems in the United States of America have taken a toll on economic activity and business as well as consumer confidence.

Growth of the Construction Industry in India

It is estimated that the total construction opportunity (industrial and infrastructure) during Fiscal 2013-2017 shall be ₹19.20 trillion, 1.8 times of construction opportunity in Fiscal 2008-2012.

Total construction opportunity (actual prices)

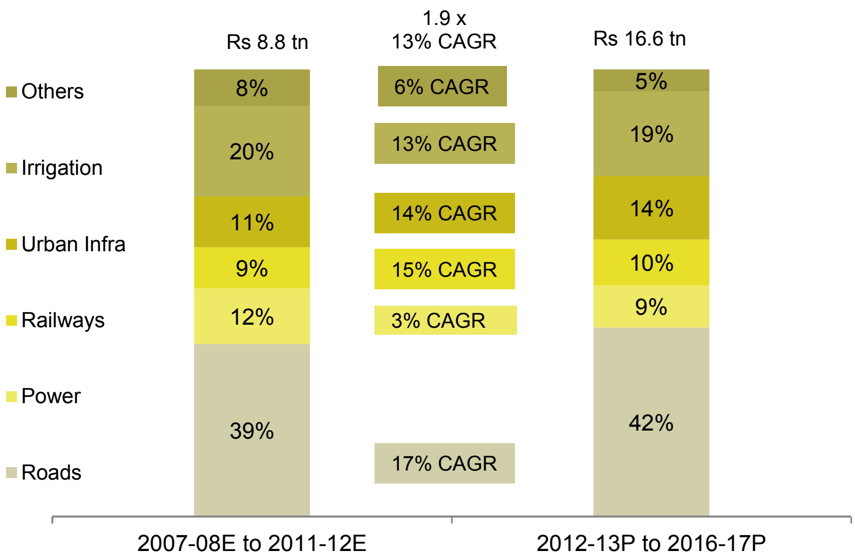


Source: CRISIL Research Construction Annual Review, October 2012

The growth in construction investments will be driven by investments in the infrastructure segment and the share of the infrastructure segment in the total construction investments is expected to increase to 86% in Fiscal 2013-2017 as compared to 81% during Fiscal 2008-2012. This will be led by the central government's focus on infrastructure development particularly in the roads, urban infrastructure and irrigation segments. In the industrial segment, growth in opportunity is expected to be low owing to slower expansion plans in key segments such as oil & gas, metals and automobiles.

CRISIL Research estimates a construction opportunity of ₹ 16,578 billion in the infrastructure segment to accrue over the next five years. In infrastructure, roads, irrigation and urban infrastructure are estimated to be the largest contributors with over 75 per cent share. The road sector is estimated to be the largest contributor to the construction opportunity. (*CRISIL Research Construction Annual Review, October 2012*)

Construction opportunity from the infrastructure segment (actual prices)

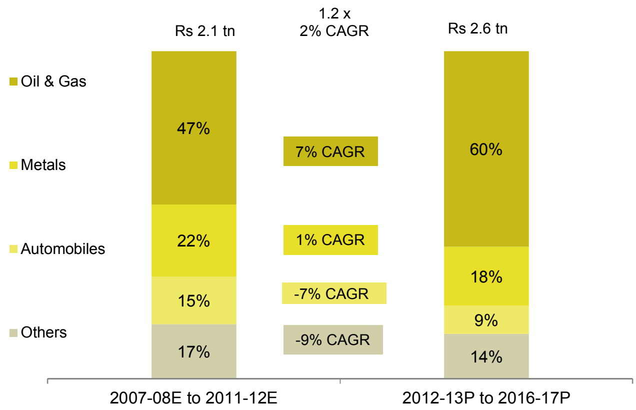


P: Projected

Source: CRISIL Research Construction Annual Review, October 2012

CRISIL Research expects a construction opportunity of ₹2,593 billion in the industrial segment over the next five year period. In the industrial construction segment, the oil and gas sector will be the primary growth driver with an estimated share of 60%.

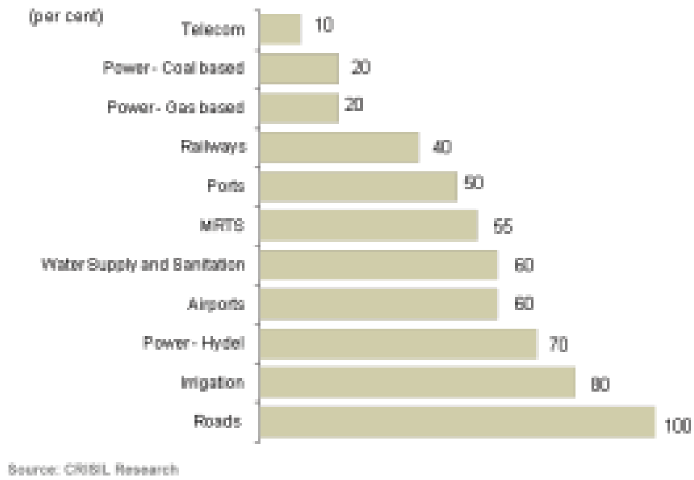
Construction opportunity from industrial segment (actual prices)



P: Projected

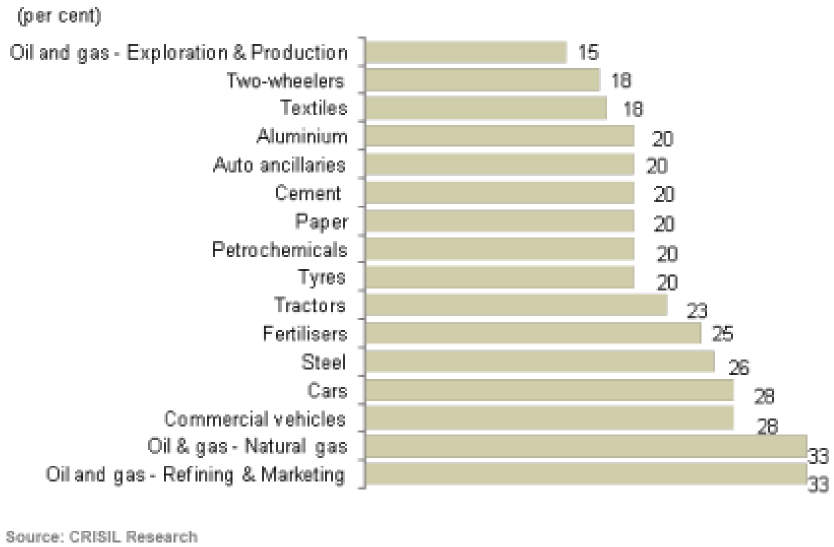
Source: CRISIL Research Construction Annual Review, October 2012

Construction Intensity in infrastructure sectors



Source: CRISIL Research Construction Annual Review, October 2012

Construction Intensity of industries



Source: CRISIL Research Construction Annual Review, October 2012

Types of contracts

A construction contract can be categorized into two categories:

(i) Fixed price contract: involves a fixed contract price or a fixed rate per unit of output, subject to cost escalation clauses in some contracts; and

(ii) Cost plus contract: is a contract in which the contractor is entitled to a defined cost plus either a percentage of costs or a fixed fee.

Some of the common contracts are:

A. Design Build Contract:

These contracts are entered into between an owner entity to develop and build the entire project and include:

(i) Lump-sum turnkey contracts ("**LSTK**"): These contracts provide for a single price for the total amount of work, subject to variation pursuant to changes in the client's project requirements. In LSTK contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, a construction company is required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare its own bill of quantities (BOQ) to arrive at the price to be quoted. The construction company is responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at a quoted price.

(ii) Engineering, Procurement and Construction ("**EPC**"): EPC contracts, like LSTK contracts, provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In EPC contracts, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. A construction company is required to: (i) appoint consultants to design the proposed structure in instances where it does not have in-house design team; (ii) estimate the quantities of various items that would be needed to complete the project based on the designs and drawings prepared by consultants or its in-house design team; and (iii) prepare its own BOQ to arrive at the price to be quoted. The construction company is responsible for the execution of all aspects of the project based on the above at its quoted price. As with LSTK contracts, EPC contractors often form consortia to bid for

EPC projects.

(iii) Engineering, Procurement and Construction Management ("**EPCM**"): Under EPCM, the contractor has to only provide engineering, procurement and construction management services, i.e. an EPCM contractor assists, manages and advises the owner on selection of suppliers and other construction contractors. Hence, wherein in an EPC contract, the owner enters into only one contract, in the case of an EPCM contract; the owner enters into multiple contracts like equipment supply contract, on-site construction contract and takes other important decisions like supplier selection, etc with due assistance and advice. Also, there are several operational differences between EPC and EPCM contracts. One major difference in the scope of decision-making is that under EPCM contracts, decision with respect to all elements lie with the owner and not the contractor unlike in an EPC contract.

B. Build- Operate- Transfer ("BOT"):

This type of contract provides a private consortium with a concession to finance, build, operate and maintain a facility for a concession period. During the life of the concession, investors collect user fees for covering costs of construction, debt servicing and operations. Assets are transferred back to the public authority at the end of the concession period. This is the most commonly used approach to develop a country's highway network. It is also used in the energy utilities, port and airport sectors. However, large BOT projects face issues such as disputes over concessions awarded and difficulty in attaining financial closure due to multiple risks.

(i) BOT Annuity bases: Under this contract, the concessionaire is responsible for constructing and maintaining the project. For instance, in a highway project, the National Highways Authority of India (NHAI) would pay the concessionaire a semi-annual payment (annuity) and the NHAI would bear the traffic risk. The concession contract is awarded to the bidder quoting the lowest annuity amount. In this type of contract, the government (NHAI) retains the right to charge toll from users at any stage of the project.

(ii) BOT Toll based: In order to lower dependence on its own funds and promote private sector involvement in developing projects, NHAI has awarded some projects through the toll-based route to private investors. The concessionaire is responsible for constructing and maintaining the project. It generates revenues by collecting tolls collection during the concession period (which varies from 20-30 years). The project is transferred back to the NHAI after expiry of the concession period. In the roads sector, toll charged is on the basis of NHAI toll policy, in ports, charges are as per TAMP of free pricing. In the power sector, tariffs are decided either through power purchase agreements (PPA) or merchant prices that are prevailing.

C. Build-Own-Operate-Transfer (BOOT):

Similar to the BOT concept, the project is handed over to the government after a negotiated period. Ownership is transferred to the developer during the concession period whereas in case of BOT contract, the ownership stays with the government and only the asset is leased out to the concessionaire.

D. Design-build-finance-operate-transfer (DBFOT):

The developer designs the entire project as per the specifications and requirements, undertakes financing and construction. After the project is completed, the developer maintains and operates the facility till the end of concession period. At the end of the concession period assets are transferred back to the public authority.

Roadways in India

India has the second largest road network in the world, aggregating 4.1 million kilometers. Roads form the most common mode of transportation and account for about 85 per cent of passenger traffic and close to 62 per cent of freight.

Road network in India in 2011-12

Road network	Length (km)	Percentage of total Length	Percentage of total Traffic	Coordinating agency	Connectivity to
National highway	71,772	1.7	40.0	MoST, BRO	Union capital, state capitals, major ports, foreign highways
State highway	154,522	3.8	40.0	State PWDs	Major centres within the states, national highways
Major and other district roads	266,058	6.5		State PWDs	Main roads, rural roads
Rural roads	3,617,240	88.0	20.0	MoRD	Production centres, markets, highways, railway stations etc
Total	**4,109,592**	**100.0**	**100.0**		

Source: MORTH, CRISIL Research

Upgradation of highways from double lane to four lane

There has been an upgradation in terms of lanes in national highways, which has gone from being single lane and double lane to four lanes. Single lane roads decreased from 28 per cent in 2007-08 to 22 per cent in 2011-12. Double lane roads reduced from 58 per cent in 2007-08 to 54 per cent in 2011-12, while four lane roads have increased from 14 per cent to 25 per cent in the same period.

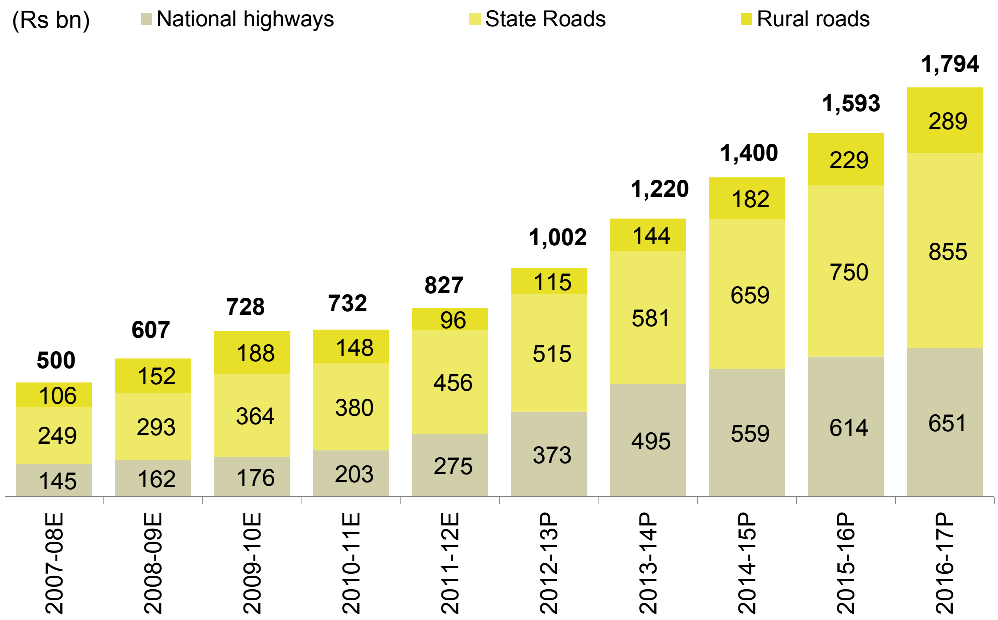
Percentage of National Highway in terms of width

Width of carriageway	National Highways length (2007-08)		National Highways length (2008-09)		National Highways length (2009-10)		National Highways length (2010-11)		National Highways length (2011-12)	
	(km)	(per cent)	(km)	(per cent)	(km)	(per cent)	(km)	(per cent)	(km)	(per cent)
Four/ Six/ Eight-Lane	9,325	14.0	12,053	17.1	16,315	23.0	16,187	22.8	17,700	24.7
Two-lane	39,079	58.5	37,646	53.4	36,886	52.0	36,995	52.2	38,536	53.7
One-lane	18,350	27.5	20,849	29.6	17,734	25.0	17,752	25.0	15,536	21.6
Total	**66,754**	**100.0**	**70,548**	**100.0**	**70,934**	**100.0**	**70,934**	**100.0**	**71,772**	**100.0**

Source: MORTH, MOSPI

Source: CRISIL Research Roads and Highways Annual Review, October 2012

Trends in road sector investment (2007-08 to 2016-17)



P: Projected

Source: CRISIL Research Roads and Highways Annual Review, October 2012

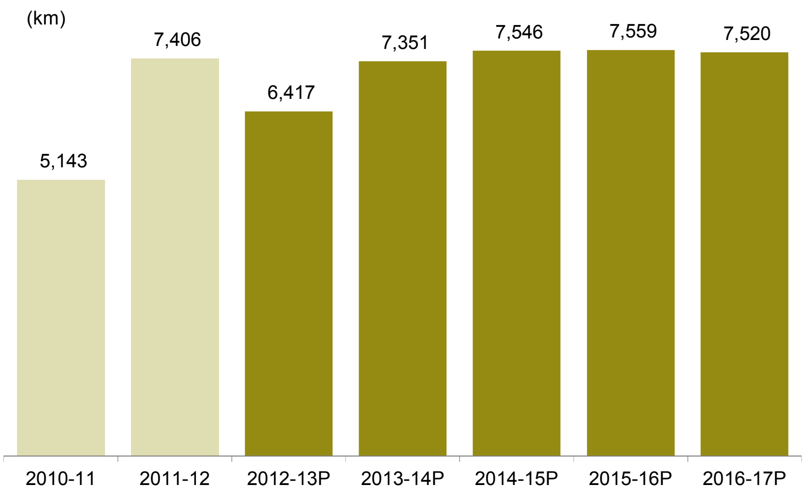
As per the above graph, investment in national highways is expected to increase from ₹ 275 billion in 2011-12 to ₹ 373 billion in 2012-13 and further to ₹ 651 billion in 2016-17. Investment in State roads is expected to increase from ₹ 456 billion in 2011-12 to ₹ 515 billion in 2012-13 and further to ₹ 855 billion in 2016-17. Investment in rural roads are expected to increase from ₹ 96 billion in 2011-12 to ₹ 115 billion in 2012-13 and further to ₹ 289 billion in 2016-17.

National highways

The changes in policies in the second half of 2009-10 following the implementation of the B.K. Chaturvedi Committee has resulted in increased awarding of national highway projects. The resolution of policy issues and greater clarity in the Model Concession Agreement ("**MCA**") has improved the appeal of the roads sector to developers. As per the CRISIL Research report on *Improvement in execution over last year* published on January 15, 2013, National highways constitute around 2% of total road network but carry about 40% of the total road traffic.

In 2011-12, around 7,406 km of road projects were awarded by the National Highways Authority of India ("**NHAI**"), as against the 5,143 km in 2010-11. In 2012-13, CRISIL Research expects close to 6,417 km of NHDP projects to be awarded. (Source: CRISIL Research Roads and Highways Annual Review, October 2012)

National highways: Year-wise break-up of total length awarded



P: Projected

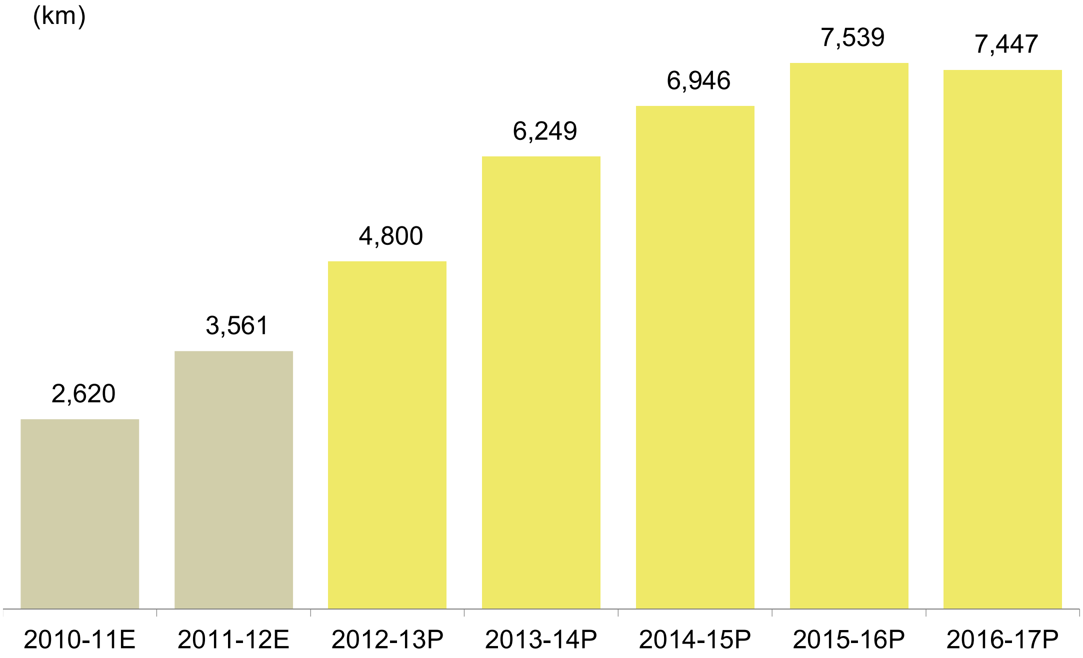
Source: CRISIL Research Roads and Highways Annual Review, October 2012

National highways: Cost per km under various phases (₹ in crore)

	Average cost per km (2012-13 to 2016-17)
NHDP Phase I	5.90
NHDP Phase II	8.20
NHDP Phase III	9.40
NHDP Phase IV	3.50
NHDP Phase V	12.90
NHDP Phase VI	46.90
NHDP Phase VII	17.60
SARDP	10.50
Other projects	10.80

Source: CRISIL Research Roads and Highways Annual Review, October 2012

National highways: Total length constructed/ upgraded



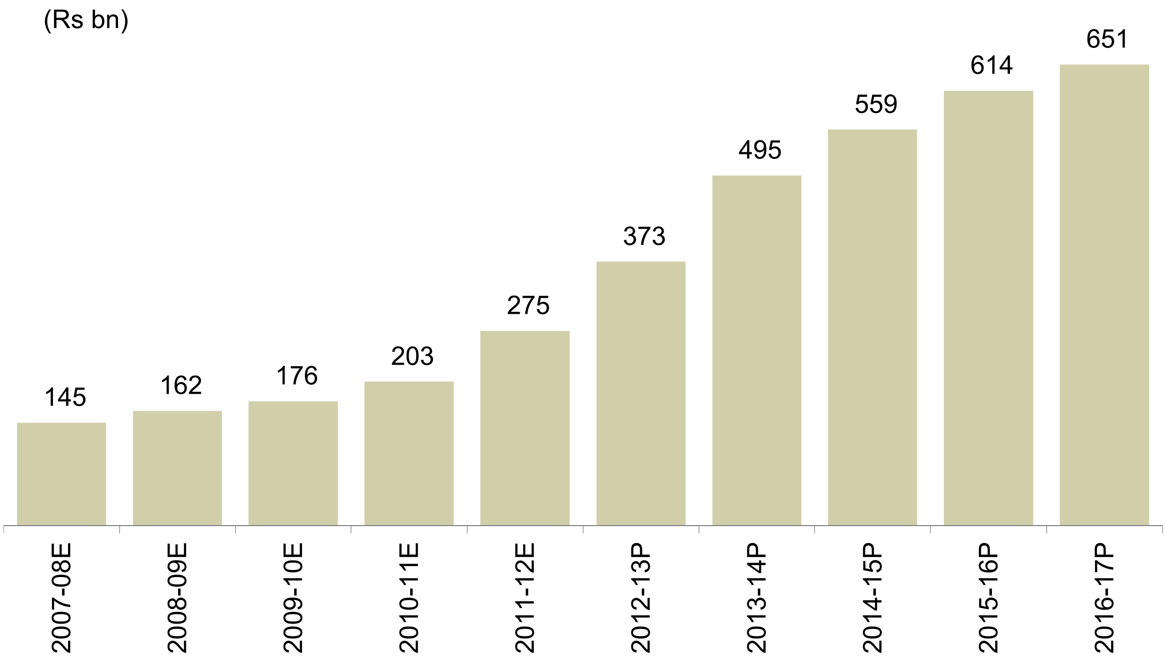
P: Projected

Source: CRISIL Research Roads and Highways Annual Review, October 2012

Between 2012-13 and 2016-17, CRISIL Research expects an average of 20 km per day of roads to be constructed / upgraded at an estimated cost of ₹ 2,691 billion. Steady implementation would help investments grow by 2.8 times over the next 5 years as compared to the past 5 years.

(Source: CRISIL Research Roads and Highways Annual Review, October 2012)

National highways: Year-wise estimated investment (₹in billion)



P: Projected

Source: CRISIL Research Roads and Highways Annual Review, October 2012

Expected phase-wise progress of NHDP as on November 30, 2012

Phase	Status	Particulars
Phase I	*Largely completed under Phase I*	• Phase I of the NHDP mainly comprises of the 5,486 km Golden Quadrilateral ("**GQ**") project connecting the four major metros, the port connectivity project, • a total of 380 km connecting the major ports Haldia, Paradeep, Vishakhapatnam, Chennai, Ennore, Tuticorin, Kochi, New Mangalore, Marmugao, Jawaharlal Nehru Port Trust and Kandla, from the east coast to the west coast and to the GQ, and • other national highway stretches of 1,390 km. As on November 30, 2012, over 94 per cent of Phase I was complete and about 5.5 per cent was under implementation. An amount of ₹ 408 million has been spent on this phase till November 30, 2012.
Phase II	*Nearing completion*	The CCEA approved Phase II, comprising the North South East West ("**NSEW**") Corridor, in December 2003 involving widening of North-South and East-West corridors. The total length of the NSEW Corridor is around 7,142 km. As on November 30, 2012, about 85 per cent of the NSEW Corridor was complete at a cost of ₹ 556 billion. Over 10 per cent of the length was under implementation and about 5 per cent remains to be awarded as on November 30, 2012. In 2012-13, about 54 km of projects have been awarded till January 7, 2013 while no projects were awarded in 2011-12 under this phase
Phase III	*Steady awarding of projects*	Phase III involves the four-laning of two-laned roads. The criteria for identification of stretches under this phase are: • High density traffic corridors not included in Phase I and II

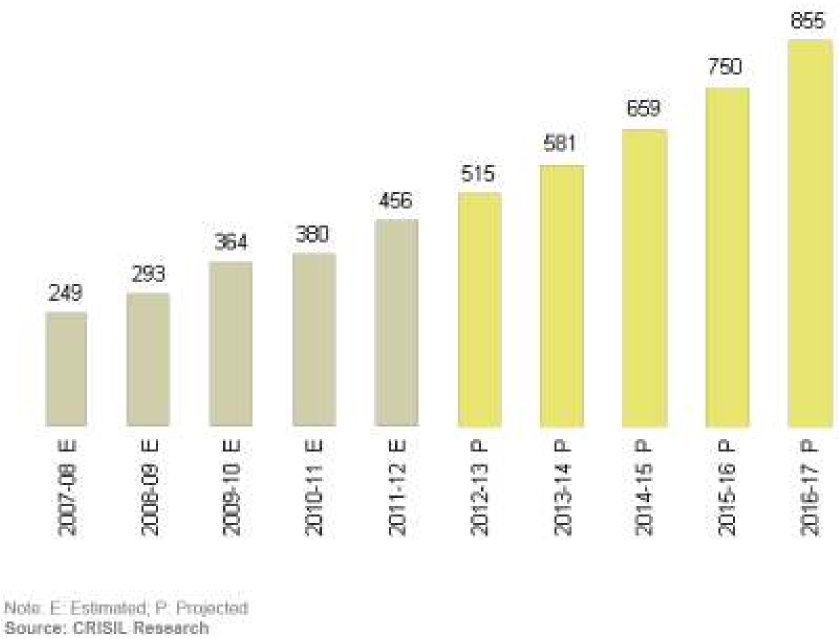
Phase	Status	Particulars
		• Providing connectivity of the state capitals to Phase I and II of NHDP • Connecting centers of tourism and. economic importance As on November 30, 2012, out of the total length of 12,109 kms., about 37% was complete and around 49%t was under implementation and an amount of ₹ 562 billion has been spent on this phase. Further, as of November 30, 2012, about 15 per cent of the length was unawarded.
Phase IV	*Construction Started*	Phase IV would entail construction of paved shoulders on two-lane national highways. NHAI has identified a total of 14,799 kms of stretches under this phase. Implementation had begun with less than 1 per cent of the length being executed at a total spend of ₹ 19 billion till November 30, 2012. As on November 30, 2012, about 27 per cent of the length was under implementation and about 73 per cent remains to be awarded. In 2011-12, around 2,069 kms of projects were awarded under this phase. However, only about 507 kms of projects have been awarded till January 7, 2013.
Phase V	*Steady Awarding*	This phase involves six-laning of 6,500 kms of selected stretches of existing four-lane national highways on design-build-finance-operate ("**DBFO**") basis. This includes around 5,700 kms of the GQ and other selected stretches at a total cost of ₹ 412 billion (2006 prices). As on November 30, 2012, about 19 % of Phase V was complete at a cost of ₹ 194 billion. Around 44 per cent of the length was under implementation and around 37 per cent was left to be awarded (as on November 30, 2012). In 2011-12, ten projects of a total of 1,689 km were awarded. However, only 265 km of projects have been awarded till January 7, 2013.
Phase VI	*Awarding still to begin*	This phase includes the development of around 1,000 km of access-controlled four/six-lane divided carriageway expressways. Although this phase has been approved by the government, it is yet to see any awarding.
Phase VII	*Initial stages of completion*	This phase proposes construction of ring roads, flyovers and by-passes on selected stretches of the national highways at an estimated cost of ₹ 167 billion. The government approved this phase in December 2007. While 700 km of stretches have been identified, less than 3 per cent of the project length has been implemented with an expenditure of ₹ 6 billion as on November 30, 2012. As on November 30, 2012, another three per cent of the project was under implementation and about 94 per cent was left to be awarded.

Source: CRISIL Research report on Improvement in Execution over last year, January 15, 2013

State Roads

State roads constitute about 65 per cent of the country's total road network and handle about 40 per cent of the total road traffic. They comprise state highways, major district roads ("**MDRs**") and rural roads that do not come under the purview of the PMGSY. State roads significantly contribute to the economy of mid-sized towns and rural areas and to the country's industrial development by enabling movement of industrial raw materials and products from and to the hinterland.

State governments have been increasingly focusing on the improvement of state roads, which has, in turn, led to considerable expenditure. Between 2012-13 and 2016-17, the length of roads and highways upgraded/ constructed is expected to grow at an average of 8%. CRISIL Research expects ₹ 3,359 billion to be invested in state roads over the next five years (2-12-13 to 2016-17). Thus, total investments in state roads between 2012-13 and 2016-17 are expected to grow at an average of 13 per cent. With state governments increasing their focus on state road programmes, private participation is likely to increase gradually over the next 5 years, with private participation of 19%. *(Source: CRISIL Research Roads and Highways Annual Review, October 2012)*



Source: CRISIL Research Roads and Highways Annual Review, October 2012

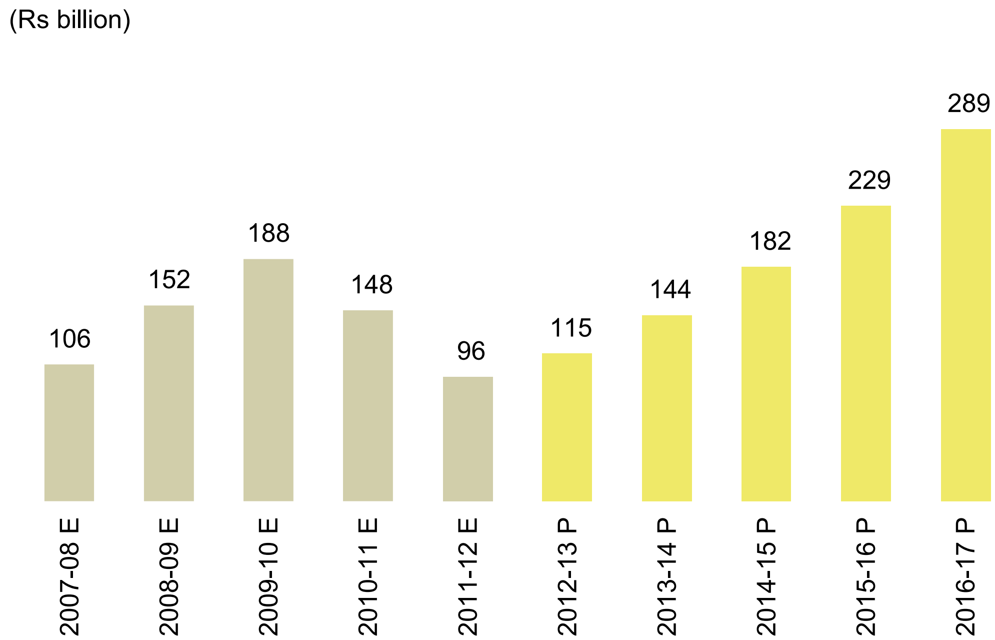
Rural Roads

Connectivity of rural roads is a key driver of rural development as it promotes access to economic and social services, thereby increasing income levels and employment opportunities in India. Consequently, it is also a key ingredient in ensuring sustainable poverty reduction. However, despite efforts at the central and state levels through various programmes, about 40% of the country's population is still not connected by all-weather roads. Even in places that are connected, the quality of roads remains inferior due to poor construction and lack of maintenance.

To address this lack of connectivity, the government launched the PMGSY in December 2000 to build all-weather roads in remote areas. The PMGSY is a centrally-sponsored scheme, which is implemented by the respective state governments. The programme was rephased to achieve targets of rural connectivity under the Bharat Nirman scheme, initiated in 2005-06.

CRISIL research expects ₹ 959 billion to be invested in rural roads under PGMSY over the next 5 years (2012-13 to 2016-17).

Rural roads: Year-wise investments

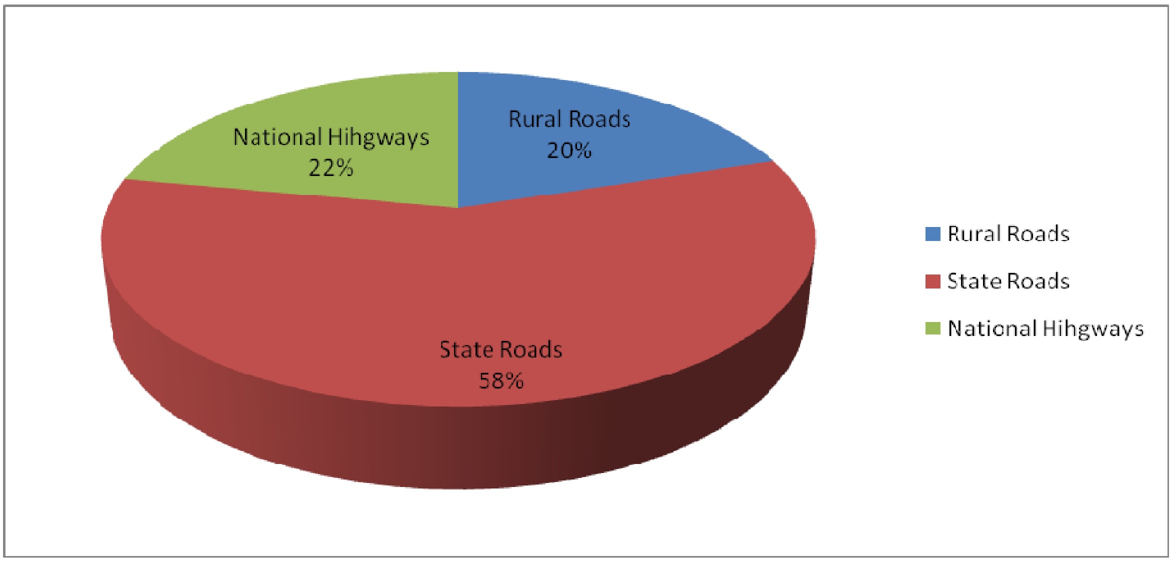


Source: CRISIL Research Roads and Highways Annual Review, October 2012

Investment in roads to more than double during 2013-17

CRISIL Research estimates an investment of ₹ 7 trillion over the period 2012-13 to 2016-17 in the roads sector, out of which, around ₹4.7 trillion will be public funding, mainly towards the development of rural and state roads, driven by the Government's focus and impetus towards the development of roads. National highways and state roads would consume majority of total investments, followed by rural roads. As per the CRISIL Research report on *Private Sector's Share in Roads Expected to Increase* published in October 2012,the private sector participation in both national highways and state roads is expected to increase over the next five years to 33% of the overall investment in the roads sector as compared to an estimated 25% in the previous corresponding period on account of Government initiatives in improving policy framework and tendering more projects on the BOT model.(*Source: CRISIL Research report on Private Sector's Share in Roads Expected to Increase, October 25, 2012*)

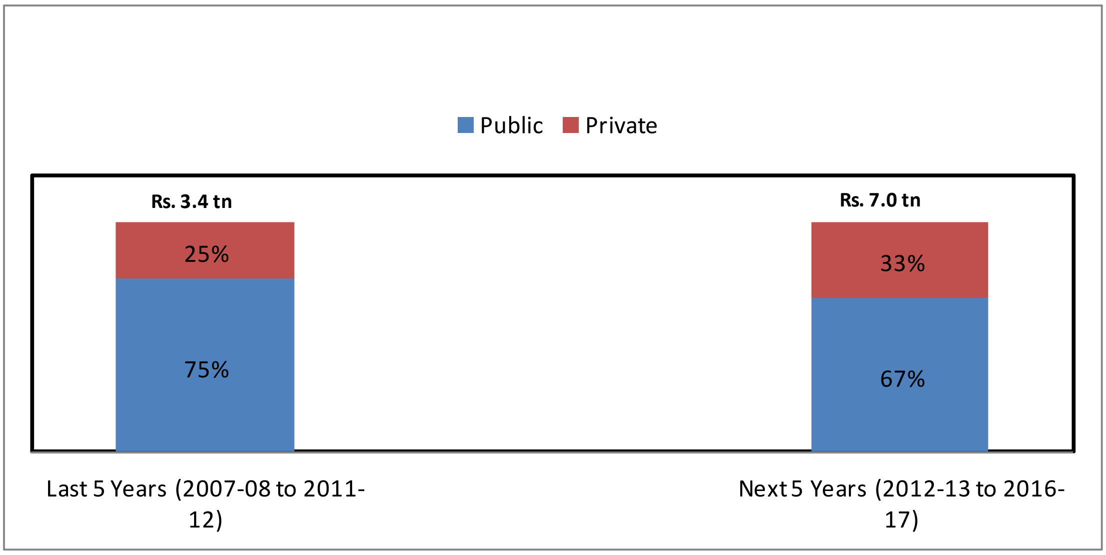
Allocation of Public Funds (2012-13 to 2016-17)



Source: CRISIL Research report on Private Sector's Share in Roads Expected to Increase, October 25, 2012

Financing of road projects

As per the CRISIL Research report on *Private Sector's Share in Roads Expected to Increase*, October 25, 2012, the financing of road projects in India by public and private parties is as follows:



The share of private participation is growing, primarily through BOT (Build - Operate - Transfer) -Toll and BOT - Annuity contracts in both, national and state highways. Over the next 5 years i.e. by 2017, the share of private sector funding is expected to increase to 33%, as compared to an estimated 25% in the last 5 years i.e (2007-08 to 2011-12). Investments in national highway projects generally require greater private funds on account of a higher number of BOT contracts, while state and rural road projects are primarily funded by the government.

Attracting private capital is crucial in meeting the resource deficit in this sector as there is a growing need to improve the quality of roads, speed up project execution and improve operating efficiencies through cost-reducing technologies. The opportunity size and potential to earn high returns will continue to drive private sector investment in road construction. A favourable policy framework would further facilitate private sector participation.

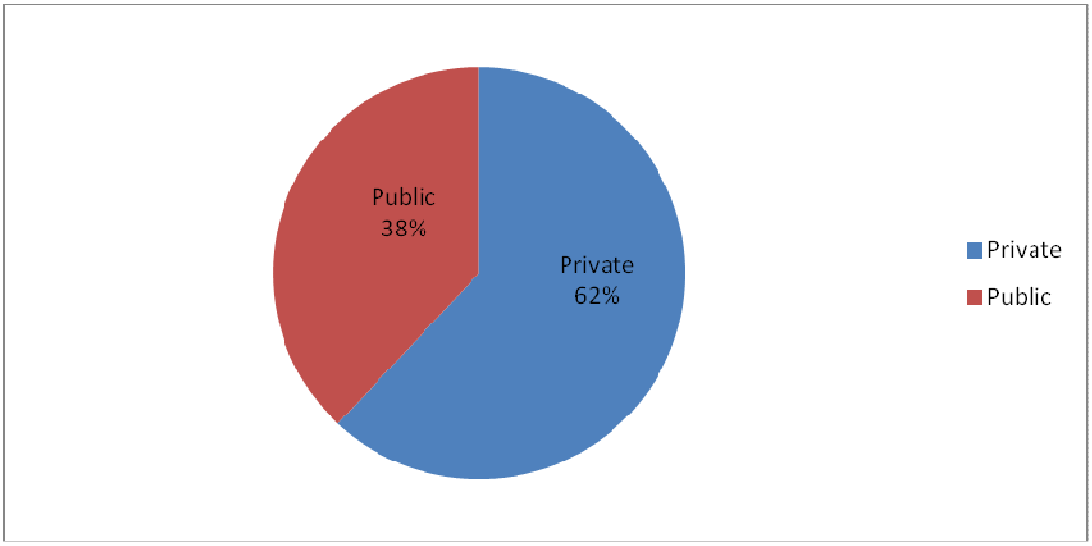
National highway projects require greater private funds on account of increasing BOT contracts, while state and rural road projects are primarily funded by the government. The public sector will continue to fund a large portion of the road projects over the medium term. Out of the ₹ 7 trillion required in the roads sector over Fiscal 2012-16, around ₹ 4.7 trillion is expected to be provided by the public sector, mainly towards rural and state roads. However, the share of private participation is growing, primarily through BOT in both, national and state highways.

Funding of the NHDP Project

In national highways, around 62 per cent of the total funding requirement is expected to come from the private sector, led by favourable policy changes for private investment. In state roads though, the percentage share of the private sector is expected to be considerably lower, at around 19 per cent.

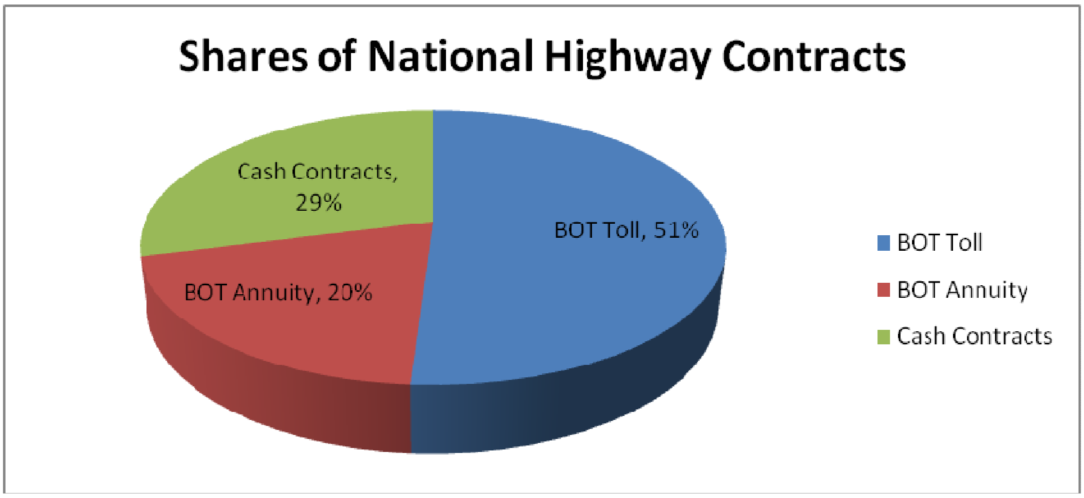
The majority of new projects under various phases of NHDP are expected to be awarded on the basis of private participation (BOT- Toll and BOT- annuity modes) over the next 5 years. The total investment of National Highway Authority of India (NHAI) towards the NHDP is estimated to be around ₹ 1,929 billion over the next 5 years with an availability of ₹ 1,846 billion. Thus, CRISIL Research estimates a surplus of close to 4 per cent. The surplus funds could be utilised by NHAI towards setting up of electronic toll collection ("**ETC**") systems, development of other national highway projects etc. *(Source: CRISIL Research report on Private Sector's Share in Roads Expected to Increase, October 25, 2012)*

Financing of NHDP for next five years (2012-13 to 2016-17)



Source: CRISIL Research report on Private Sector's Share in Roads Expected to Increase, October 25, 2012

NHDP: Share of national highways contracts (2012-13 to 2016-17)



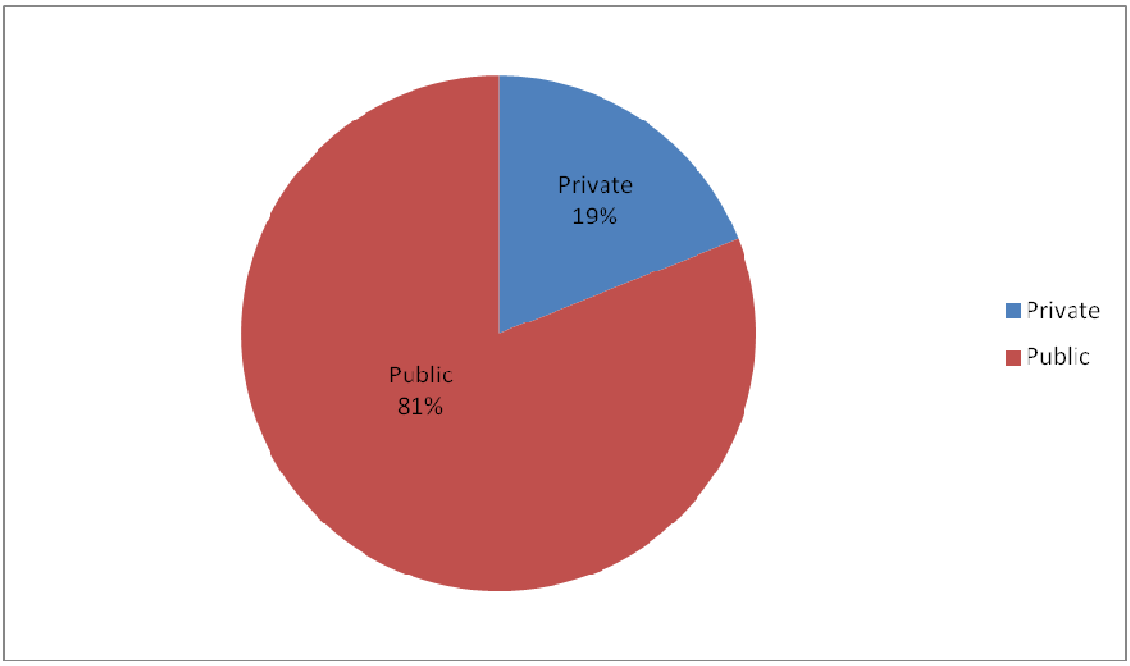
Source: CRISIL Research report on Private Sector's Share in Roads Expected to Increase, October 25, 2012

Financing of State Roads

State roads are largely financed through budgetary allocations of the respective state governments. Funds from NABARD, HUDCO, Rural Infrastructure Development Fund schemes and the Central government's fund (the state's portion of CRF) have supplemented the same.

The state government's public funding (comprising budgetary allocation, external assistance and CRF) will finance most of the state road projects. Some states have a favourable policy framework to attract private participation in state roads. Going ahead, the share of private participation in state roads is expected to increase around 19% with the state government increasing its focus on developing state highways on the BOT model.

Funding of state roads for the next five years 2012-13 to 2016-17



Source: CRISIL Research report on Private Sector's Share in Roads Expected to Increase, October 25, 2012

Financing of Rural Roads

Rural roads under the PMGSY are entirely financed through funds from the Central government, which include loans from NABARD, World Bank, ADB, etc, and through allocation of funds from the CRF. Nearly 50 per cent of the cess on high-speed diesel is earmarked for constructing rural roads. CRISIL Research expects ₹ 1.0 trillion to be invested in rural roads under the PMGSY over the next 5 years, which would be funded entirely by the government.

Regulatory framework

Policy framework for Road Projects

Central government policy

Key policy measures for private participation

In order to encourage and facilitate private sector investment and participation in the roads sector, the Central government has undertaken certain policy measures and provided certain fiscal incentives within the sector:

- 100 per cent foreign direct equity investment (FDI) allowed in road sector projects.
- Dispute resolution will be in line with the Arbitration and Conciliation Act 1996, based on United Nations Commission on International Trade Law (UNCITRAL) provisions.

State Government Policy

States like Maharashtra, Madhya Pradesh, Gujarat, Rajasthan, Karnataka etc. have set up State Road Development Corporations for the development and implementation of projects. In order to encourage private sector participation states like Maharashtra, Rajasthan, Andhra Pradesh follow their own model concession agreement. The policy framework for development and implementation of road projects vary across states.

Key parameters of new model concession agreement and bidding process

Concession structure - NHAI projects

New model concession agreement for BOT toll-based projects has been prepared. The new model concession agreements identify risks and specify the terms and conditions for risk sharing between the private players and the government.

Awarding of contracts

As per the recommendations of B.K Chaturvedi committee report, future road projects would be awarded on BOT – toll based, BOT- annuity based and cash contracts concurrently, and not subsequently.

Bidding variable to be the grant expected from NHAI

The selection of the concessionaire, under the new model concession agreements, is based on open competitive bidding. All project parameters such as the concession period, toll rates, price indexation and technical parameters are clearly stated upfront. Pre-qualified bidders are required to specify only the amount of grant sought by them. The bidder who seeks the lowest grant wins the contract. In some cases, instead of seeking a positive grant, a bidder may offer a negative grant or offer to share project revenues with the NHAI. In that case, the bidder offering the highest negative grant/ revenue share wins the contract.

Grant

The maximum grant provided will be 20 per cent of the project cost. In case the grant is inadequate for making a project commercially viable, an additional grant up to a maximum of 20 per cent of the project cost can be provided to the concessionaire. As per the recommendations of the B.K Chaturvedi committee report, the entire grant would be disbursed to the concessionaire during the construction period

Concession fee (Premium)

As per the recommendations of B.K Chaturvedi committee report, concession fee is the amount concessionaire agrees to share with the NHAI out of the revenues of road project on the date of commercial operations date. The premium would increase by 5 per cent in each year of concession period.

Concession period

The concession period is generally expected to be 20 years, but may vary depending on the volume of existing and projected traffic for specific projects.

- Partial traffic risk mitigation provisions

  The provisions provide for an increase in the concession period by 1.5 per cent (subject to a maximum of 20 per cent) for every 1 per cent of shortfall in traffic. While provision that provides for reduction in concession period on increase in traffic has been removed in interest of road players and bankers.

- Modification in the termination clause

  As per the recommendations of B.K Chaturvedi committee report, if the average daily traffic in any accounting year exceeds the designed capacity of the project highway, a detailed project report would be prepared for augmenting capacity of the stretch yielding an assured Equity IRR of 16 per cent to concessionaire. Also a maximum extension in concession period to the extent of 5 years would be allowed to the concessionaire. The authority may then issue a notice to the concessionaire to undertake capacity augmentation within 6 months of the notice. If the concessionaire refuses to augment capacity, the authority may thereafter issue a termination notice.

Construction period

The time required for construction (typically 24-30 months) is included in the concession period. A concessionaire starts earning revenues from COD, and this gives the concessionaire an incentive for early completion of construction.

Financial closure

A time limit of 180 days is set for achieving financial closure by the concessionaire. In the event of failure, the bid security is forfeited.

The NHAI has introduced an additional condition for bidding road projects. For a project of project cost less than ₹ 3,000 crore, developers would be barred from bidding if financial closure is pending in 3 or more NHAI BOT projects as on bidding date. For a project cost equal to or more than ₹ 3,000 crore, bidder will not be eligible if financial closure is pending in 2 projects. However, if a bidder convinces NHAI about surety of arrangement of funds for the project, it can bid for more projects.

Conflict of interest

As per the recommendations of B.K Chaturvedi committee report, common shareholding or other ownership interest in companies has been increased from 5 per cent to 25 per cent of the paid up and subscribed share capital.

Obligations of NHAI

As per the recommendations of B.K Chaturvedi committee report, the obligations of NHAI are as follows: (i) to acquire and hand over possession of 80% of land required for the project till the letter of award (LOA) and balance 20% to be handed over within 90 days of project award (ii) obtain all environmental clearances for the project before financial closure is achieved (iii) NHAI will ensure that no competing road is constructed where NHDP is being implemented. NHAI will have to compensate the concessionaire if this is breached.

Exit policy

As per the recommendations of B.K Chaturvedi committee report, during the construction period, the concessionaire should hold at least 51 per cent of equity stake in a road project. However, the concessionaire can now exit the project after 2 years from commercial operations date of project.

Substitution

MCA provides for the concession to be transferred to another company in the event of failure of the concessionaire to operate the project successfully.

Technical capacity

As per the recommendations of B.K Chaturvedi committee report, the technical capacity of a developer should be equivalent to the project cost of a particular road project.

Financial capacity

Currently, the bidder/consortium is required to have a net worth equivalent to at least 25% of the project cost. As per the latest amendment, for projects up to ₹ 20 billion, the consortium will need to have net worth of 25% of the capital cost of the project; for projects between ₹ 20 billion and ₹ 30 billion, net worth requirement will be of 50% of capital cost of the project plus ₹ 5 billion. The company implementing projects beyond ₹ 30 billion will need to have net worth equivalent to the project cost plus ₹ 10 billion.

Institutional framework

At the Central government level, there are several line ministries for transport planning, coordination and policy setting, with the Planning Commission is tasked with overall coordination.

The responsibility of road planning in India rests with the Central and State Governments, with the Centre taking responsibility for the construction, operation and maintenance of national highways, while the respective states take responsibility for their respective State highways and major district roads. Rural roads are largely developed under the 'Pradhan Mantri Gram Sadak Yojana', which is a centrally sponsored scheme, implemented by the respective State Governments and panchayats.

*The National Highways Authority of India ("**NHAI**")*

The NHAI was constituted by an act of the Parliament, the National Highways Authority of India Act, 1988. It is responsible for the development, maintenance and management of national highways entrusted to it and for matters connected or incidental thereto. The Authority was operationalized in February 1995 with the appointment of a full time Chairman and other members.

NHAI is mandated to implement National Highways Development Project ("**NHDP**") which is:

(i) India 's Largest ever highways project; and

(ii) World class roads with uninterrupted traffic flow.

The national highways have a total length of 76,818 km to serve as the arterial network of the country. The development of the national highways is the responsibility of the Government of India. The Government of India has launched major initiatives to upgrade and strengthen National Highways through various phases of NHDP.

New Tolling Policy (2011)

Toll charges are based on the rates notified by the government. The key parameters in the new tolling policy are as follows:

Toll rates for 4-lane national highways:

Vehicle category	Rs/ km
car,jeep,van, Light motor vehicle	0.65
Light commercial vehicle	1.05
Bus or truck	2.20
3 - axle commercial vehicle	2.40
Heavy construction machinery, multi axle vehicle (MAV) 4 to 6 axles	3.45
Oversized vehicles 7 or more axles	4.20

Source: PIB, CRISIL Research

Source: CRISIL Research Roads and Highways Annual Review, July 2012

Methodology for revision of toll rates: Fixed 3% + 40% of change in wholesale price index

Other features in the new tolling policy include the following:

(i) Uniform rates for public and private funded projects;

(ii) A permanent bridge, bypass or tunnel will be tolled separately and excluded from length of NH if the cost is ₹ 0.1 billion or more; and

(iii) 2-lane roads with cost per km more than ₹ 0.25 billion will be tollable.

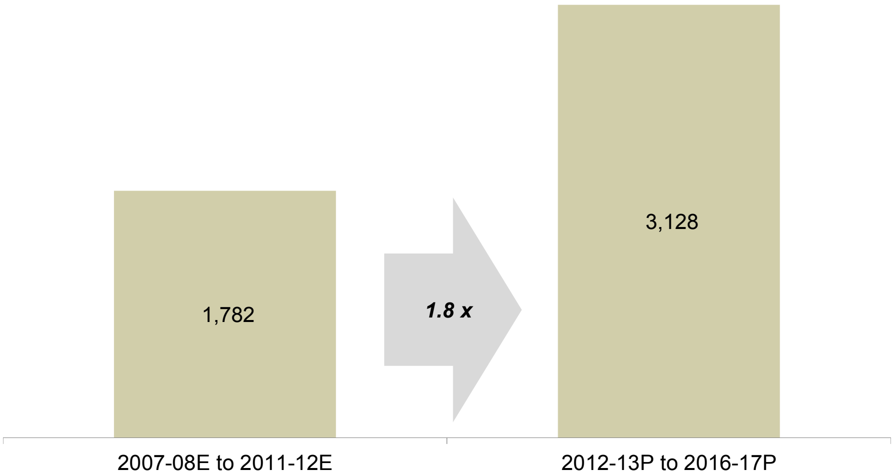
Irrigation

India has 2.4% of the world's total area and 16% of the world's population. But has only 4% of the total available fresh water. This clearly indicates the need for water resource development, conservation, and optimum use. (*Eleventh Five Year Plan, 2007-12, Volume III*). Irrigation and urban infrastructure is together expected to contribute over 30% to total investments in the construction sector.

Irrigation investments are primarily driven by expenditure of State Governments and are expected to grow by 1.8 times over Fiscal 2012-16 as compared to the last 5 years. The progressive states in this sector are Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Madhya Pradesh and Uttar Pradesh, which account for around 70% of the aggregate investment on irrigation by states.

At the central level, investments have been driven by centrally-sponsored programmes such as Accelerated Irrigation Benefits Programme ("**AIPB**") and Command Area Development ("**CAD**") for implementing major, medium or minor irrigation projects across various states. In 2010-11, investment under AIBP amounted to ₹ 115 billion and in CAD to ₹ 5 billion.

Construction investments in irrigation (at actual prices)



The figures for 2012-13 to 2016-17 are projected figures.

Source: CRISIL Research Construction Annual Review, October 2012

Between 2012-13 and 2016-17, CRISIL Research estimates potential construction opportunity arising from the irrigation sector at ₹ 3,128 billion (at actual prices). Over the next 5 years, progressive states will continue to contribute a significant share in overall investments.

However, growth in investments is expected mainly from the states in the Eastern region such as Bihar and Orissa - where new major and medium irrigation projects are expected to come up. *(Source: CRISIL Research Construction Annual Review, October 2012)*

Real Estate

India has the second largest population in the world. The increase in population density has contributed to increased demand for housing. Further, the growth of India's middle class has also led to an increased demand for housing

Also, rising levels of foreign direct investment into the country and the expansion of organized retail sector have increased the need for commercial space. The union budget for 2011-12 had announced the creation of a 'Mortgage Risk Guarantee Fund' under the Rajiv Awas Yojana to enable flow of housing credit from banks and housing finance companies to economically weaker sections and LIG households.

OUR BUSINESS

Overview

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects, including highways. As part of our construction business (“**Construction Business**”) we provide services including engineering, procurement and construction (“**EPC**”) services on a fixed-sum turnkey basis as well as on an item rate basis for various infrastructure projects including projects relating to roads, airport runways, railways, transmission lines, irrigation and building construction. As part of our development business (“**Development Business**”), we develop road projects on a “Build, Operate and Transfer” basis (“**BOT**”), operate them during the concession period on toll or annuity basis and subsequently transfer the projects to NHAI. We are also currently developing and constructing residential building projects both in India and Dubai (“**Real Estate Development Business**”).

Construction Business

Our Construction Business involves providing construction services for:

a. Roads, where we engage in the construction, realignment, widening, strengthening, rehabilitation and upgrading of roads;

b. airport runways, where we construct taxi tracks, aprons and provide visual lighting aids with apron lights;

c. railways, where we engage in the designing, construction and other related infrastructural works for a dedicated freight corridor;

d. transmission lines, where we engage in piling work;

e. irrigation projects, where we engage in design and construction of barrages, dam excavation of link canals and other irrigations facilities; and

f. building construction.

As of December 31, 2012 we have completed 308 construction contracts (“**Completed Construction Contracts**”) under our Construction Business portfolio. The 308 Completed Construction Contracts under our Construction Business portfolio, involve constructing, improving, widening, strengthening of existing two lane and four lane carriageways and rehabilitation of four - six lane highways. Additionally, the Completed Construction Contracts also include modernisation of airport runways.

As of December 31, 2012 our Construction Business portfolio comprises of 21 Projects under Construction which also includes EPC contracts for BOT Projects being developed under our Development Business. Our Projects under Construction, involve construction, widening, strengthening and/or rehabilitation of two lane, four lane and six lane highways, design and construction of railway projects, piling work for transmission lines, construction of irrigation projects and building construction projects.

Our Order Book aggregated ₹ 38,821.88 million as of December 31, 2012 of which ₹ 35,269.04 million of orders are related to our roads, railways, transmission and other projects on fixed-sum turnkey and item rate basis; ₹ 2,243.06 million of orders are related to our irrigation project; and ₹ 1,309.78 million are related to our building construction projects.

Development Business

Our Development Business involves two laning, four laning and six laning of roads and highways on BOT basis.

As of December 31, 2012, we have completed two BOT projects (“**Completed BOT Projects**”) through joint ventures, namely the Jaipur - Kishangarh Project and the Kurali -Kiratpur Project. These projects involved widening and rehabilitation of existing two lane highways to six lane divided carriageways.

We transferred our interest in the Jaipur - Kishangarh Project to GVK Infrastructure Holdings Private Limited in Fiscal 2007.

Our Development Business includes the following BoT Projects under Development:

Sl. No	Name of the developing Subsidiary/JV SPV	Equity Shareholding* as of February 22, 2013	Annuity /Toll basis	Details of the project	Concession Period
7.	Simhapuri Expressway Limited	BIPL 49.00% and KMC Infratech Limited 51.00%	Toll	Six laning of Chilkaluripet - Nellore section of NH-5 from kilometre 1,182.80 to 1,366.54 in the State of Andhra Pradesh.	30 years
8.	BSCPL Aurang Tollway Limited	Company 51.00% and BIPL 49.00%	Toll	Four laning of Chattisgarh/Orissa border - Aurang section from kilometre 88.00 to 239.00 on NH-6 in the State of Chhattisgarh.	28 years
9.	BSCPL Godhra Tollways Limited	BIPL 100.00%	Toll	Four laning of Godhra to Gujarat/Madhya Pradesh border section of NH -59 from kilometre 129.30 to 215.90 in the State of Gujarat.	27 years
10.	Patna Bakhtiyarpur Tollway Limited	Company 29.34%, BIPL 27.08%, C&C Constructions 22.66% and C&C Projects Limited 20.92%	Toll	Four laning of Patna - Bakhtiyarpur section of NH - 30 from kilometre 181.30 to 231.95, in the State of Bihar.	18 years
11.	North Bihar Highway Limited	Company 15.23%, BIPL 23.54%, C&C Constructions 31.84% and C&C Projects Limited 29.39%	Annuity	Two laning of Muzaffarpur - Sonbarsa section of NH -77 from kilometre 2.8 to 89.00, in the State of Bihar.	20 years
12.	Mokama - Munger Highway Limited	Company 28.63%, BIPL 31.87%, C&C Projects Limited 18.96% and C&C Constructions 20.54%	Annuity	Two laning with paved shoulders of Mokama - Munger section of NH - 80 from kilometre 1.43 to 70.00 in the State of Bihar.	15 years

*The above percentage of shareholding for each of the JV SPVs is as on February 22, 2012 and not as envisaged in the respective shareholders agreement. For additional information on present shareholding and envisaged percentage of shareholding as per the shareholders agreement, see section titled **"*History and Certain Corporate Matters*"** on page 184.

Real Estate Development Business

We also develop and construct residential building projects. As part of our Real Estate Development Business we are undertaking construction and development of residential dwelling units in Chennai since Fiscal 2008. In Fiscal 2006 we incorporated a wholly owned subsidiary in Dubai, BSCPL International FZE, to undertake real estate development activities in Dubai. We have two ongoing projects, discussed herein below;

(i) *Bollineni Hillside Project* - This project involves the development of an integrated township at Perumbakkam - Chithalapakkam, Chennai. The project is being constructed in two phases. The total developable area ("**Developable Area**") of the Phase I project is 2.19 million sq. ft. As of the date of this

Draft Red Herring Prospectus, we are expecting Phase I of the project to be completed by September 2013. We intend to develop Phase II of the said project; however we have not applied for any approvals or sanction as on date of this Draft Red Herring Prospectus.

(ii) *Arena Apartments Project* - This project involves the development of a multi-storied building on approximately 53,035.94 sq.ft. of land located at Dubai Sports City, Dubai. This project is being carried out through Green Desert Ventures Limited, a subsidiary of our wholly owned subsidiary BSCPL International FZE. As of December 31, 2012, BSCPL International FZE held 70.00% and Algaith Building Construction Company LLC held the remaining 30.00% equity share capital in Green Desert Ventures Limited. The total developable area and saleable area of the project is 201,163.00 sq.ft and 156,837.46 sq. ft. respectively.

History

Our Company commenced its business as a partnership firm under the style M/s B. Seenaiah & Company by way of reconstitution of an earlier partnership in 1983. The partnership firm was converted to a public limited company in 1998 under the name B. Seenaiah & Company (Projects) Limited and in 2008 the name of the Company was changed to BSCPL Infrastructure Limited. Prior to Fiscal 2002, we were primarily engaged in providing construction services for roads on item rate basis and from Fiscal 2002, we diversified into the Development Business and began bidding for contracts for toll roads on a BOT basis. We were awarded our first BOT project - Jaipur - Kishangarh Project, in Fiscal 2003 and we completed the construction of the road in Fiscal 2006 along with our joint venture partners. Further, in Fiscal 2004, we expanded our Construction Business outside India when we were awarded a contract by the Ministry of Public Works, Islamic Republic of Afghanistan for rehabilitation of the Kandahar to Spin Boldak road. In Fiscal 2005, we began expanding the scope of our Construction Business, and were awarded a contract by the Irrigation and Command Area Development Department ("**CAD Department**", Government of Andhra Pradesh, for engineering, designing, procurement and construction with respect to closing of Kakarla Gap by constructing a dam and excavation of a link canal ("**Veligonda Dam Project**"). Additionally, in Fiscal 2008, we expanded our Construction Business to building construction, when we were awarded a contract by Central Public Works Department, Government of India ("**CPWD**") to undertake construction of the Afghan Parliament building and the Indian Chancery buildings at Kabul, Afghanistan ("**Afghan Building Construction Project**"). Further, in Fiscal 2009, we were awarded our first railway freight corridor project by Dedicated Freight Corridor Corporation of India Limited, New Delhi, ("**DFCCIL**") for designing, construction and other related infrastructural works for dedicated freight corridor in the States of Bihar and Uttar Pradesh. In Fiscal 2008 we commenced construction of our real estate development projects wherein we construct and develop townships and apartment buildings.

Our Registered and Corporate office is located in Hyderabad, Andhra Pradesh and we operate our business through the Company, eight direct and indirect Subsidiaries, six Joint Venture Companies of which five are engaged in developing our BOT Projects under Development ("**JV SPVs**") and certain project specific unincorporated joint ventures arrangements. Additionally, we have two regional offices located in Gurgaon, and Bengaluru, a marketing office located in Chennai and various project offices across India for execution of projects in our Order Book. In Fiscal 2006 we incorporated BSCPL International FZE, a wholly owned subsidiary in Dubai. Thereafter in Fiscal 2006 we entered into a joint venture with C&C Constructions Limited ("**C&C Constructions**") to form, BSC C&C Nepal Limited. Also, we entered into an MoU ("**Oman MoU**") dated November 13, 2009 with C&C Constructions and Al- Nab'a Holding LLC. Pursuant to the Oman MoU, a company under the name BSCPL - C&C (Oman) LLC was formed. We have not made any contributions under the Oman MoU as on date.

The following map indicates the locations of our current projects in India and abroad.

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Our net revenue from operations on a consolidated basis for the six months ended September 30, 2012 and Fiscals 2012, 2011, 2010, 2009 and 2008 was ₹ 12,221.70 million, ₹ 18,265.92 million, ₹ 11,876.21 million, ₹ 14,341.55 million, ₹ 10,116.93 million, ₹ 7,424.56 million respectively.

Further, as of January 31, 2012, our Company has a work force of 2,523 full time employees on its rolls. Of the total employees, 12 are part of the management, 503 are technical employees, 675 are accounting and non-technical employees, 662 are skilled operators and 671 are skilled staff.

Order Book

As of December 31, 2012, the Company has 21 Projects under Construction. These include third party projects sub-contracted to us as well as our own BOT projects under development ("**BOT Projects under Development**") for which we provide EPC services. The following table sets forth the value of our Order Book as of December 31, 2012:

(₹ in million)

Construction Business	**As of December 31, 2012**
Road, railways, transmission and other contracts	35,269.04
Irrigation contracts	2,243.06

Construction Business	As of December 31, 2012
Building construction contracts	1,309.78
Total	38,821.88

Our Competitive Strengths

Demonstrated project execution capabilities

We have a record of 308 Completed Construction Contracts aggregating to around 9,769.21 Lane Kilometres. Our notable Completed Construction Contracts include four laning of Ayodhya to Gorakhpur stretch on NH-28 on the Lucknow - Muzaffarpur national highway, four laning of Jhansi to Lakhnadon stretch on NH-26 in the State of Madhya Pradesh, widening of the existing two lane carriageway to four to six lane rigid pavement on NH-60 from Laxmannath to Kharagpur in the State of West Bengal and several projects in Afghanistan including the construction of Kandahar to Tirin-Kot road, rehabilitation of Taluqan - Kishem road project, reconstruction of Jalalabad to Asmar road, rehabilitation of Kandahar to Herat Highway improvement project, rehabilitation of Kandahar to Spin Boldak road and rehabilitation of Section E of Kabul - Kandahar highway. Additionally, the Jaipur - Kishangarh Project which was executed by us along with our joint venture partners, was completed five months ahead of its scheduled completion date and the project also received an early completion bonus from NHAI *(Source: Guidelines for Investment in Road Sector issued by the Ministry of Shipping, Road Transport and Highways, Government of India)*. For further details of the Completed Construction Contracts, see *"**Completed Construction Contracts**"* below.

We believe that we have established a reputation for efficient project management and execution with on site decision making capabilities, efficient deployment of manpower, equipment and other resources, as well as strategic purchasing capabilities. Our organisational structure allows on site decision making, so that project managers can rapidly respond to changing terms and conditions throughout the life of a project. In addition, we believe our project management capabilities allow us to maximise our flexibility and efficiency by allowing us to transfer our management, workers and machinery from one project to another depending on which project has the greatest need at a particular point in time.

We believe we have established good working relationships with many suppliers supporting our various areas of business. Such relationships also facilitate the efficient deployment of human resources and extend our execution capabilities.

Pre-qualification for bidding and ability to work successfully in partnerships

The Government is actively encouraging private sector participants to undertake road projects. Participation by private sector entities is determined on the basis of certain pre-qualification requirements such as technical expertise and financial capacity. For details on awarding of PPP road projects, see section titled *"**Industry Overview**"* on page 126 and the pre-qualification requirements, see *"**Business Development**"* below.

The NHAI calls for project specific prequalification bids from interested parties. The prequalification of contractors and their eligibility limit for award of contract(s) are determined on the basis of objective evaluation of their past experience, technical qualifications and financial capabilities. For details on the pre-qualification requirements, see "***Business Development***" below:

We had received an annual pre-qualification certificate which makes us eligible to bid for road projects on a standalone basis for order sizes up to ₹ 21,500 million. This prequalification certificate was valid till December 31, 2012 and we are awaiting issue of notice for renewal of prequalification bids from the NHAI. We have developed this prequalification eligibility by successfully executing road projects of varied sizes.

In addition to the above individual eligibility, we have the ability to bid for and execute larger or more complex projects in association with domestic and international partners. We have, in the past, demonstrated our ability to work successfully with many partners, such as C&C Constructions, KMC Constructions Limited, SCL Infratech Limited, China Railway 18th Bureau (Group) Company Limited, Road Builder (m) Sdn Bhd and KG Lakshmipathy and Co., on a wide variety of projects, in various parts of India.

Strong and diverse Order Book

As of December 31, 2012, our Order Book totalled ₹ 38,821.88 million and of which ₹ 10,070.30 million of orders or approximately 25.94 % are related to the EPC works on item rate basis and ₹ 26,508.52 million of orders or approximately 68.29 % related to the EPC works for our Development Business.

We have a nationwide presence in India and have one Project under Construction in Afghanistan. Of the Projects under Construction, 13 projects are those that we have obtained the contracts from Government and Government undertakings, including, both State and Central Government and the remaining eight projects are those undertaken as sub-contractors for private entities as part of our EPC Contracts from BOT Projects.

We believe that our diversified business activities of EPC and BOT projects across roads, railways, irrigation and building construction diminishes the risks associated with the dynamics of any particular industry while also simultaneously helping us to benefit from the synergies of operating in diverse business sectors.

Ability to execute projects in a timely and cost effective manner

We source high volumes of certain key raw materials such as gravel and stones, which are required for execution of road projects from dedicated quarries, located near our project sites. Certain other key raw material such as cement and steel are procured from third party vendors and we import bitumen, which we also source locally. We identify convenient captive quarries and have dedicated quarrying machinery to open quarries and supply materials to several of our key projects. We believe that owning captive quarries enables us to enjoy uninterrupted and timely supply of raw materials such as gravel and stones, maintain quality control, and minimize risk exposure resulting from the fluctuation of the prices of raw materials.

We continuously invest in plant and machinery so as to ensure high quality and timely execution of our projects. Over the last three years, we have invested 2,887.15 million towards additions to Plant and Machinery and Fixed Assets for our projects. We believe that we are one of the few players in India to own large fleet of plant and machinery including crushers, hot mix plants, concrete batching plants, concrete/bituminous pavers, rollers, excavators, concrete pumps, crawler cranes, rock breakers, air compressors, dumpers, tippers and other related equipment. Further, the availability of sophisticated plant and machinery reduces our dependence on third party machinery suppliers for execution of a project, which in turn enables us to control the cost of the project, and minimizes occurrence of events resulting in stoppage of work due to non-availability or breakdown of machinery. Further, it ensures that we are able to offer high quality construction and on time performance. Our integrated operations help us to manage costs and maintain our profit margins.

Proven ability to partner with key associates including joint venture partners and private equity investors and reputed customer base

We believe that we have established good working relationships with many of our industry and execution partners. Our joint venture partners with whom we associate for bidding and/or execution of wide variety of projects include C&C Constructions, SCL Infratech Limited, China Railway 18th Bureau (Group) Company Limited, Road Builder (m) Sdn Bhd, KMC Constructions Limited and KG Lakshmipathy and Co. Additionally, we had equity investments from reputed investors including New Vernon Private Equity Limited, Tiger Veda Bharat, Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited and LB India Holdings Mauritius II Limited and Amansa Holdings Private Limited. This has allowed us to meet the growing capital requirements of the Company for the steady expansion of our business.

Our customers in the Construction and Development Business includes NHAI, Power Grid Corporation of India Limited, Road Construction Division, Government of Bihar, Government of Meghalaya, Dedicated Freight Corridor Corporation of India Limited, Central Public Works Department, Government of India, Government of Andhra Pradesh and other State Government departments and agencies.

Experienced management team with project execution and operations expertise

Our management team has an established track record and knowledge of the sectors in which we serve. This helps us to accurately estimate and manage costs and execute projects in an efficient manner. We have an experienced management team and a technically qualified and skilled work force of 2,523 full time employees as of January 31, 2012. Of the total number of employees 12 are part of the management, 503 are technical employees, 675 are accounting and non-technical employees, 662 are skilled operators and 671 are skilled staff. We believe that we benefit from the expertise acquired by our Promoters, Bollineni Seenaiah and Bollineni Krishnaiah over the last two and a half decades. Bollineni Seenaiah, our Chairman has over 31 years of experience in construction and related fields and our Managing Director, Bollineni Krishnaiah is experienced in construction and related fields. Our Key Managerial Personnel, including K. Thanu Pillai, U. Jayakodi, T. Dayakar, A.V.B.R. Narasimham, Man Mohan Varma, K. Saravana Kumar, K.B.V Raghava Charyulu, G.K. Choudary, B.S. Bhaskar and T.V. Manjunath have experience working in the infrastructure sector. We also have in the past, recruited fresh graduates from various colleges through campus recruitments.

Our Strategy

Continue to diversify and expand our portfolio in sectors where we have existing projects.

We believe that infrastructure development will be a major driver for growth in the Indian construction industry in the foreseeable future due to increased levels of Government and private industry investment in infrastructure. We plan to focus on growing our revenues from our Construction and Development business in the road sector. We have expanded our Construction Business to include building construction, irrigation projects, construction of airport runways and railway construction projects. We believe that undertaking EPC projects across various sectors will provide us with a more diverse income stream and ensure that our EPC business operates at its optimal capacity. In Fiscal 2005, we began undertaking EPC work in the irrigation sector when we were awarded the Veligonda Dam Project. Additionally, we were awarded a few irrigation projects, in relation to construction of a barrage across Champavathi River, construction of head regulator in GBR complex ("**GBR Complex Project**"), excavation of GNSS road flow canal and construction of Somasila Swarnamukhi link canal ("**Somasila Swarnamukhi Link Canal Project**") in the State of Andhra Pradesh, by the Irrigation and CAD Department, Government of Andhra Pradesh and our first railway freight corridor project by Dedicated Freight Corridor Corporation of India Limited, New Delhi. We have also signed an MOU with Adishankar Power Private Limited dated August 1, 2012 for acquiring Lower Simang Power Private Limited an SPV for developing the 67 MW hydroelectric power project on the River Simang in the East Simang district of Arunachal Pradesh. We also intend to expand our Development Business portfolio by participating in bids issued by the NHAI for undertaking construction of road projects. We plan on continuing to tie up with joint venture partners, both international and domestic, to bid for and execute large and complex BOT projects.

We intend to continue to diversify the portfolio of projects undertaken by us, by actively undertaking infrastructure development projects in the road, airport, railway, irrigation, real estate and power sectors. Our strategy is to position ourselves to capitalize on continued infrastructure development in India. We believe we have achieved sufficient economies of scale to improve the competitiveness of our existing businesses and are well positioned for the diversification of our business and the sharing of resources.

Strengthen our presence in key strategic markets

We believe we have a strong presence in the States of Andhra Pradesh, Bihar and Madhya Pradesh. We have executed projects in the States of Bihar and Madhya Pradesh within India and outside India, in Afghanistan and are executing further projects in these areas. We intend to leverage on the economies of scale by bidding in geographical areas where we already have a presence. We believe that these locations will continue to have opportunities in the infrastructure sector. By strengthening our presence in these locations, we believe that we will have a competitive advantage and would be able to benefit from the following:

- Cost efficiencies through sharing of labor and managerial resources;
- Economies of scale and competitive prices from our suppliers and service providers through centralized purchasing;
- Continuous access to the quarry sites and quarrying machinery for the supply of raw materials required for our projects; and

- Since we have experience in obtaining regulatory and statutory approvals that are required to commence and carry on activities in these regions, further expansion of our activities is relatively easier

Expand our infrastructure Development Business

The Government has laid emphasis on encouraging participation in infrastructure development through Public-Private Partnerships (‘**PPP’s**”). We believe that BOT/BOOT projects as part of such initiatives offer opportunities for accelerated and sustainable growth of the Company. We intend to actively pursue BOT/BOOT opportunities, both independently and in partnership with other partners. We believe that our experience and strong track record in the Construction Business, including the completion of construction of two BOT projects, will provide us with a significant advantage in pursuing BOT/BOOT opportunities.

Maintain high standards of quality and project execution capabilities.

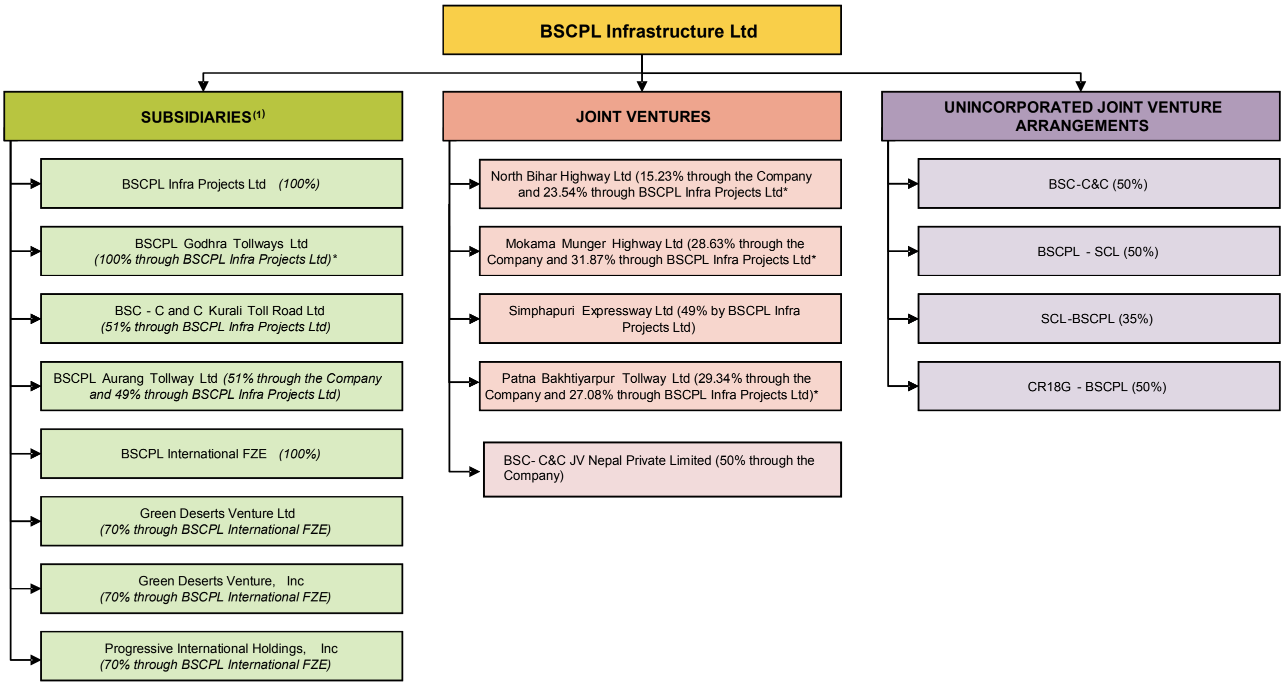
We believe that we have developed a reputation for consistently executing projects known for innovation, quality and delivery in a timely manner. We intend to continue to focus on reducing cost and time overruns to maximize client satisfaction. We also intend to continue to use technologically advanced tools and processes to ensure quality construction. In addition we intend to continue to further enhance our construction and development capabilities to enable us to adapt to technological changes and minimize operational costs.

Attract, train and retain qualified personnel

We understand that maintaining quality, minimizing costs and ensuring timely completion of construction projects depends largely on the skill and workmanship of our employees. As competition for qualified personnel and skilled workers is increasing among construction companies in India, and as we pursue greater growth opportunities, we seek to attract, train and retain qualified personnel and skilled workers by increasing our focus on training our staff in advanced and basic engineering and construction technology. As part of our HR initiatives, we have invested in the equity capital of Pipal Tree Ventures Limited, a company engaged in the business of manpower consultancy, training and allied services to source trained and skilled employees periodically**.** For further details with respect to the agreement with Pipal Tree Ventures Limited, see *“**Employees**”* below. We also seek to offer our engineering and technical personnel a wide range of work experiences, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex infrastructure projects and by forming cross-functional teams with the objective of giving such teams opportunities to innovate.

Our Company

Our Company commenced its business as a partnership firm under the style M/s B. Seenaiah & Company by way of reconstitution of an earlier partnership in 1983. The partnership firm was converted to a public limited company in 1998 under the name B. Seenaiah & Company (Projects) Limited and in 2008 the name of the Company was changed to BSCPL Infrastructure Limited. Our registered and corporate office is located in Hyderabad, Andhra Pradesh and we have eight Subsidiaries, six Incorporated Joint Ventures and five JV SPVs and certain unincorporated joint venture arrangements. We either wholly-own or have a majority interest in our Subsidiaries, which include BIPL; BSCPL Godhra Tollways Limited; BSC - C & C Kurali Toll Road Limited; BSCPL Aurang; BSCPL International FZE; Green Desert Ventures Limited; Green Desert Ventures, Inc.; and Progressive International Holdings, Inc. and through these ownership interests, we are engaged in managing the projects that are executed by our Subsidiaries. Additionally, we have equity stake in North Bihar Highway Limited, Mokama Munger Highway Limited, Simphapuri Expressway Limited, Patna Bakhtiyarpur Tollway Limited and BSC - C&C Nepal (JV) Private Limited. In Fiscal 2012, we wound up one of our subsidiaries, B Seenaiah & Co Projects Nepal (Private) Limited, located at Nepal. The following diagram shows structure of the project developing entities and unincorporated joint venture arrangements:



* The above percentage of shareholding for each of the JV SPVs is as on February 22, 2013. For additional information on present shareholding and envisaged percentage of shareholding as per the shareholders agreement, see section titled "***History and Certain Corporate Matters***" on page 184.

Joint Venture Arrangements

From time to time, for certain larger infrastructure development or construction projects that require resources beyond those available to us, such as technical resources, financial resources, equipment, manpower or local resources, or when we wish to share the risk on a particularly large project, we seek to make alliances through the formation of SPVs or project-specific joint ventures with other firms. Such arrangements are common place in our industry.

In a project-specific joint venture, each member of the joint venture shares the risks and revenues of the project according to a pre-determined agreement. The agreements specifically assign the work to be performed by each party and the responsibilities of each party with respect to the joint venture, including how the joint venture will be managed and the equipment, personnel or other assets that each party will contribute or make available to the joint venture. The profits and losses of the joint venture are shared among the members according to a predetermined ratio. The fixed assets that are acquired by the joint venture are generally transferred to the respective joint venture members upon completion of the joint venture project. The agreements also set forth the manner in which any disputes among the members will be resolved. In a joint venture arrangement, there is typically joint and several liability on the members. In the event of a default by other members of any joint venture arrangement that we may enter into, we would remain liable for the completion of the project. For details on our incorporated Joint Venture agreements and our unincorporated joint venture agreements relating to our Order Book, see section titled ***History and Certain Corporate Matters*** on page 184.

We are in the process of infusing capital and allotting shares in our Joint Venture companies. While we are not obligated to make any further payments towards share capital contribution, above our stipulated shareholding, we have contributed to more than 50.00% of the current shareholding of certain Joint Ventures. Similarly a Joint Venture partner has contributed more than 50.00% in one of our Incorporated Joint Ventures. Upon future equity contribution by our Joint Venture partners and us, it is contemplated that our shareholding percentages in these companies will conform to the proportions envisaged in the respective shareholders agreements. Irrespective of the actual shareholding percentages, our rights and obligations in relation to our JV SPVs remain allocated in the percentages contemplated under the relevant shareholders agreements. See section titled "***History and Certain Corporate Matters***" on page 184.

We have entered into a number of Joint Venture arrangements with third parties, including:

- C&C Constructions for the following projects;
    - i. Mokama Munger Road Project
    - ii. Muzaffarpur - Sonbarsa Road Project
    - iii. Patna - Bakhtiyarpur Road Project
    - iv. Meghalaya Road Project
    - v. Afghan Building Construction
    - vi. Pile Foundation Project
    - vii. DFCCIL Project
- SCL Infratech Limited for Veligonda Dam Project;
- KMC Constructions Limited for the Chilkaluripet - Nellore Road Project; and
- China Railway 18th Bureau (Group) Company Limited for certain irrigation projects undertaken in the State of Andhra Pradesh.

For details with respect to the projects undertaken by our JV SPVs, see *"**Projects under Construction**"* and *"**BOT Projects under Development**"* below.

Our Construction Business

Our Construction Business involves construction services for: (i) roads, where we engage in the construction, realignment, widening, strengthening, rehabilitation and upgrading of roads; (ii) airport runways, where we construct taxi tracks, aprons, provision of visual lighting aids with apron lights; (iii) railways, where we engage in designing, construction and other related infrastructural works for dedicated freight corridor; (iv) transmission lines, where we engage in piling work; (v) irrigation projects, where we engage in the investigation, design and construction of barrages, dam excavation of link canal and other irrigations facilities; and (iv) building construction.

EPC Contracts from Construction Projects

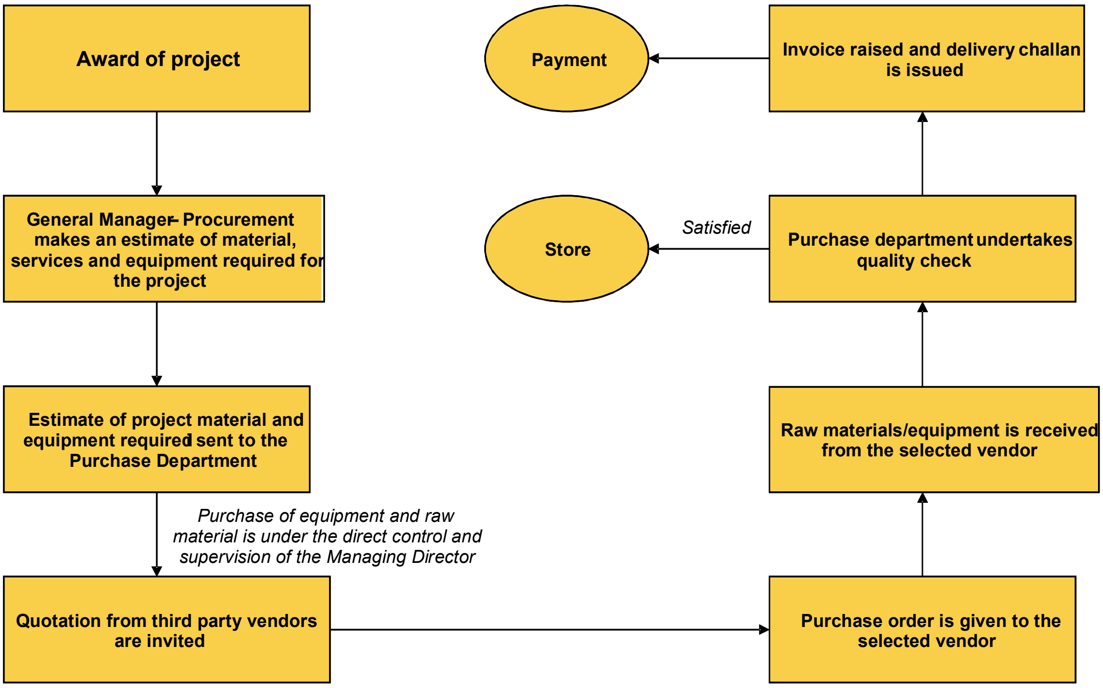
Our EPC contracts typically require us to design, build and manage the project from inception to completion with the entity that awards the EPC contract. When we undertake an EPC project, we are compensated, generally on a fixed-sum basis, for the completion of the project and, in many instances, on interim milestones. Our EPC contracts are on a fixed-sum or turnkey basis.

Engineering and Design

We provide detailed engineering services, if required by the client, for the projects that we undertake. Typically, for design-build projects, the client supplies conceptual information pertaining to the project and spells out the project requirements and specifications. We are required to prepare detailed architectural and /or structural designs based on the conceptual requirements of the client and also conform to various statutory and code requirements. We outsource design services to experienced consultants who specialise in the particular segment. Prior to bidding for the project, our tendering department and senior management review the preliminary design prepared by these consultants. Over the years, we have through a combination of experience and technical ability developed expertise in assessing the preliminary pre-tender designs prepared by our consultants, vis-à-vis the requirements of the client. After our initial review of the preliminary designs, we continue to confer with our consultants to arrive at the final solution for the project. Once the project is awarded to us, our consultants prepare detailed designs pursuant to the project requirements.

Procurement

The following diagram represents our procurement process:



Over the years we have developed relationships with a number of vendors for key materials, services and equipment. We have also developed an extensive vendor database for various materials such as bitumen, cement, steel and aggregate for our road, airport runways, railways, irrigation and building construction projects and services such as labour contractors. Over and above the quotations received at the time of bidding, the purchase department invites quotations from additional vendors, if required. Vendors are invited to negotiate before finalizing the terms and prices. The materials ordered are provided to the sites from time to time as per their scheduled requirements. We maintain material procurement, tracking and control systems, which enable monitoring of our purchases. We typically use third-party transportation providers for the supply of most of our raw materials. The ability to cost-effectively procure material, services and equipment, and meet quality specifications for our projects is essential for the successful execution of such projects. Whilst we have entered into a long term arrangement with a leading cement manufacturer for supply of cement which is under renewal, we have not entered into any other long-term supply contracts with other suppliers of raw material. For risks related to dependence on third party suppliers and transportation providers, please refer to *"**Risk Factors - The timely and cost effective construction of our projects is dependent on the adequate and timely supply of key raw materials**"* on page 38.

We operate quarries both in India. We possess dedicated quarrying machinery to open the quarries and supply materials to several of our key projects. Additionally, we also sell the 'crushing stone' ("**Metal**") that is quarried by us to third parties.

We own a fleet of equipment to handle the various stages of execution of the projects. The equipment owned by us includes crushers, hot mix plants, concrete batching plants, concrete/bituminous pavers, rollers, excavators, concrete pumps, crawler cranes, rock breakers, air compressors, dumpers, tippers and other related equipment.

Construction

The methodology of construction depends upon the nature of the project. We have an experienced construction team and are able to conduct all construction activities ourselves. However, where it is commercial more feasible, we do hire sub-contractors for specialized works. The issuance of a Letter of Acceptance ("**LoA**") or Letter of Intent ("**LoI**") by the client signifies that we have been awarded the contract. Upon receipt of the letter, we typically commence pre-construction activities promptly, such as mobilising manpower and equipment resources and setting up site offices and other ancillary facilities. After the project site is handed over to us by the client, we perform preliminary works. Preliminary works for a road, airport runways, railways, irrigation, and building construction project includes site clearance, dismantling and earth work. Construction activity typically commences once the client approves or issues designs and detailed drawings. The project team immediately identifies and works with the purchase department to procure the key construction materials and services required for commencing construction. Based on the contract documents, a detailed schedule of construction activities is prepared. This schedule identifies interim milestones, if any, stipulated in the contract with corresponding time schedules for achieving these milestones. The sequence of construction activities largely follows the construction schedule that was prepared initially, subject to changes in scope requested by the client. We monitor the progress of construction of our projects at each site as well as at our registered and corporate office. At regular and appropriate intervals, the project management plan is assessed based on the project's performance and various aspects affecting it, and if required, the plan is revised for enhanced performance and timely completion. We have a project control system that is used by our internal monitoring and assessment team to track the physical and financial progress of work vis-à-vis the project schedule. Further, periodic progress reports are prepared by the team at the site location and the same is sent to the project monitoring cell to the registered and corporate office for collation. Project personnel also hold periodic review meetings with the client at sites and also with key personnel in our Registered and Corporate Office and project offices to discuss the progress being made on the project. Each project site has a billing department that is responsible for preparing and dispatching periodic invoices to the clients. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our registered and corporate office or project offices for further processing. The quality assurance cells at our various project sites help to ensure compliance with our quality management system in order to enable us to comply with the quality parameters stipulated in the contract by the client.

Item Rate Contracts

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

Item rate contracts typically contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key materials (e.g., steel and cement) or a formula that splits the contract into pre-defined components for materials, labour and fuel and links the escalation in amounts payable by the client.

Billing Process

In case of item rate contracts, we submit a statement to the independent engineer, appointed in consultation with the concessionaire from a panel of engineers, at the end of each month, showing the amounts to which we consider to be entitled to. The said statement is thereafter approved or amended by the engineer such that it reflects the amounts due to the contractor in accordance with the contract, after deduction of any sums which may have become due and payable by the contractor. In cases where there is a difference of opinion as to the value of any item, the engineer's view prevails. Within the specified period mentioned in the contract, the engineer determines the amounts due to us and issues to the client and us a certificate called the 'Interim Payment Certificate', certifying the amounts due to us.

Fixed - sum Turnkey Contracts

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

Billing Process

In case of contracts on fixed-sum basis, we make an interim payment application to the client for the value of works executed during the month as per the billing schedule in the concerned contract agreement. The project company, after scrutiny of the bill and inspection of the relevant parts of the site makes an assessment of the value of works executed and the payment due to us. It then recommends the same to the independent engineer/lender independent engineer for its certification. The independent engineer/ lender independent engineer, after inspection of the site and his own assessment certifies the value of works executed and payments eligible to us. Based on this, the client issues a payment certificate to us releasing the amount due and eligible to us.

Completed Construction Contracts

The following is a brief summary of some of our key Completed Construction Contracts and our Completed BOT Contracts:

Fiscal	Details of the Project
2012	Kurali-Kiratpur Project
2011	Four laning of Ayodhya to Gorakhpur from kilometer 208.00 to 252.56 of NH - 28 in State of Uttar Pradesh.
2011	Four laning of Jhansi to Lakhnadon from kilometer 255.00 to 297, of NH-26 in the State of Madhya Pradesh.
2007	Widening the existing two lane carriageway of Laxmannath to Kharagpur from kilometer 53.41 to 119.27 of NH-60 in the State of West Bengal.
2002	Four laning including strengthening of existing two lane pavement of Barwa Adda to Barakar from kilometer 398.75 to 441.44 of NH-2, in the State of Bihar, along with our Malaysian joint venture partners Road Builder (m) Sdn Bhd and Pati Sdn Bhd.
2002	Four laning including strengthening of existing two lane pavement of Raniganj to Panagarh from kilometer 474.00 to 515.23 of NH-2, in the State of West Bengal along with our Malaysian joint venture partners Road Builder (m) Sdn Bhd and Pati Sdn Bhd.
2001	Four laning including strengthening of existing two lane pavement of Gurgaon to Kotputli from kilometre 36.63 to 162.50, in the States of Haryana and Rajasthan, along with our Malaysian joint venture partners Road Builder (m) Sdn Bhd and Pati Sdn Bhd.

Our portfolio of 308 Completed Construction Contracts comprises of the following:

SI. No	Nature of Work	No. of Projects	Length in Lane Kilometres	Approximate Value of Completed Construction Contracts (₹ in million)
1.	Improvement and maintenance of existing roads	185	3,575.46	4,091.59
2.	Reconstruction and strengthening of existing roads	91	3,285.21	10,760.33
3.	Construction of 4 lane highways	19	2,606.23	35,216.01
4.	Other works like airports	12	N.A.	3,560.43
5.	Construction of six lane highways	1	302.31	2,383.70
	Total	**308**	**9,769.21**	**56,012.07**

Projects under Construction

Our Projects under Construction include our EPC Contracts and BOT Projects under Development. In respect of the BOT Projects under Development, we provide EPC services to all the BOT projects undertaken by our Subsidiaries and JV SPVs ("**EPC Contracts from BOT Projects**"). Set out below is a brief detail of all our Projects under Construction. For details on our BOT Projects under Development, see section *"**Our Business** - **BOT Projects under Development**"* on page 162.

Sl.No.	Project details	Client	Month of commencement of work	Date of scheduled completion	Contract value (₹ in million)[1]
	Roads, Railways and other works				
1.	Patna - Bakhtiyarpur Road Project(*)(**)(***)	Patna Bakhtiyarpur Tollway Limited	September 2011	March 2014	7,700.00
2.	Muzaffarpur - Sonbarsa Road Project (*)(**)(***)	North Bihar Highway Limited	May 2011	November 2013	5,600.00
3.	Chilkaluripet - Nellore Road Project. (*)(**)(***)	Simhapuri Expressway Limited	November 2011	May 2014	10,625
4.	Chilkaluripet - Nellore Road Project (***)	KMC Constructions Limited (work sub-contracted to the Company)	November 2011	February 2014	3,536.30
5.	Mokama Munger Road Project (*)(**)(***)	Mokama Munger Highway Limited	May 2011	May 2013	3,900.00
6.	Godhra Road Project (*)(***)	BSCPL Godhra Tollways Limited	March 2011	August 2013	6,550.00
7.	Aurang Road Project (*)(***)	BSCPL Aurang	February, 2013	August 2015	10,400.00
8.	Deveihalli - Hassan Project (***)	Larsen & Tourbo Limited	February 2011	August 2013	3,429.20
9.	DFCCIL Project	Dedicated Freight Corridor Corporation of India Limited, New Delhi.	February 2009	February 2014	6,572.50
10.	Pile Foundation Project - I	Power Grid Corporation of India Limited	February 2011	March 2013	669.54
11.	Pile Foundation Project -II	Power Grid Corporation of India Limited	February 2011	March 2014	477.50
12.	Pile Foundation Project -III	Power Grid Corporation of India Limited	February 2011	Application for extension has been made.	898.89
13.	IRCON Project	IRCON International Limited	October, 2012	January 2014	447.91

[1] The Contract value indicated is the total contract value of a particular project and not the total value that the Company earns from each project. The Company's revenue from each project varies in accordance with the contractual terms with its partners.

Sl.No.	Project details	Client	Month of commencement of work	Date of scheduled completion	Contract value (₹ in million)[1]
14.	Meghalaya Road Project	Chief Engineer, Government of Meghalaya	March 2011	March 2014	13,038.34
15.	Tadipatri Railway Project	Government of Andhra Pradesh, P.W. (Roads & Buildings) Department	November 2011	November 2014	259.45
Irrigation					
16.	Tarakarama Thirtha Sagaram Reservoir Project	Superintending Engineer, TTPR Circle, Vizianagaram	May 2006	March 2013	1,815.00
17.	GBR Complex Project	Superintending Engineer, SRBC Circle, No. 2 Nandyal	February 2007	March 2013	2,540.00
18.	Somasila Swarnamukhi Link Canal Project	Superintending Engineer, TTRR Circle, Vizianagaram	May 2007	March 2013	1,026.00
19.	Veligonda Dam Project	Project Administrator & Superintending Engineer, Veligonda Project Circle, Ongole	August 2005	August 2014	4,591.90
	Building construction				
20.	Afghan Building Construction Project	Central Public Works Department, Government of India	December 2008	▪ Afghan Parliament is scheduled to be completed by June 2013. ▪ Indian Chancery building is scheduled to be completed by June 2013	4,420.29
21.	Afghan Dome Project	Central Public Works Department, Government of India	November 2012	February 2014	309.69

(*) These projects are in relation to our BOT Projects under Development. For further details, see "BOT Projects under Development" below.

(**)We have formed JV SPVs with various partners for the execution of these projects.

(***)We also undertake EPC services work for each of these BOT Projects as part of EPC Contracts from Construction Projects

In addition to the above mentioned projects, we have received a Letter of Acceptance from the Office of the Superintending Engineer cum Project Director, Asian Development Bank, PWD (Roads), Government of Meghalaya for improvement and up gradation of road sections of Garobadha-Dalu (NH-51) (Tranche -1), Meghalaya under the North Eastern State Road Investment Programme (NESRIP). The total value of the proposed project is ₹ 1,865.19 million.

Our revenue from construction contracts for the Fiscal ended March 31, 2012, 2011, 2010, 2009 and 2008 was ₹ 15,626.79 million, ₹ 10,067.37 million,₹ 13,933.61 million, 9,562.09 million and ₹ 7,131.81 million respectively and was 10,391.27 million for the six months ended September 30, 2012.

Our Development Business

BOT Projects under Development

Overview

Generally bids are invited and evaluated by NHAI for a project on the basis of the lowest financial grant required by a bidder for implementing the project ("**Grant**") or the highest premium offered to be paid by the bidder in the form of a revenue share or upfront payment, as the case may be, to the authority ("**Premium**"). The grant/premium amount constitutes the sole appropriate criterion for the evaluation of bids, subject to complying with the technical qualification requirements. The project will be awarded to the bidder quoting the highest Premium, and in the event no bidder offers a Premium, then to the bidder seeking the lowest Grant.

Our BOT Projects under Development are pursuant to concession granted by the NHAI. Typically, the BOT Projects under Development with NHAI are on design, build, finance, operate and transfer ("**DBFOT**") basis, which requires us to design and finance the project as well. Under each of the concession agreements for the projects, we are entitled to either receive tolls from the users of the project highway as per the fee notification which is approved by the Government, commencing from the date on which the relevant road started commercial operation till the end of the concession period or annuity from NHAI during the concession period.

The concession agreements of our BOT Projects under Development provide that for the first 8-10 years of the concession period, there shall be no construction of any competing road, provided, however, that such prohibition on competitive toll-road construction shall not apply if the average traffic on the project highway in any year exceeds 90% of the designed capacity as set forth in the concession agreement.

Key project documents for an NHAI project

Concession agreement

The concessionaire is required to enter into a concession agreement with the NHAI pursuant to which the concessionaire is authorised to develop the project and operate the project facilities in accordance with the terms and conditions in the concession agreement. For example, a concessionaire is required to maintain performance guarantee, maintenance guarantee and insurance during the construction and operation period. During the operation period, the concessionaire must operate and maintain the project highway in accordance with the concession agreement. In the event of any deviations or non-compliance in relation to the project, NHAI may enforce its rights under the agreement, including the termination of the agreement, and may undertake remedial measures at the cost of the concessionaire. In addition to the recovery of such costs, a certain percentage of the cost amount must additionally be paid to NHAI. In case of any material breach of the concession agreement, on account of any default attributable to the concessionaire, NHAI may also suspend the rights of the company under the concession agreement and may elect to exercise the rights of the company under the agreement on its behalf.

A concession agreement also stipulates certain conditions precedent that are required to be satisfied, which typically include, among others, obtaining the necessary government approvals and providing a performance bank guarantee which shall be valid and enforceable until the commercial operations date or until the date of which certain expenditure on the project is expended, subject to such other conditions as may be specified in the agreement. Further, as per the concession agreements any delay by the concessionaire shall entitle NHAI to damages calculated at the rate of 0.20% of the performance security for each day's delay until fulfilment of the conditions precedent, subject to a maximum of 20.00% of the performance security, as per the terms of the concession agreement. However in case of delay by NHAI, the concessionaire shall be entitled to damages at the rate of 0.1% per day of the performance security, subject to a maximum of 20.00%.

Further, a typical concession agreement also requires that, during the term of the construction period and two years thereafter of the project, the existing promoters/consortium members of the concessionaire, together with their associates, must hold not less than 51.00% (fifty-one percent) of the issued and paid up equity of the concessionaire.

The concession agreement may be terminated by either party by giving a written notice to that effect, in case a force majeure event persists for more than 180 (hundred and eighty) days or more within a continuous period of 365 (three hundred and sixty five) days. The term force majeure under the concession agreement is categorized into non-political event, indirect political event and political event. In the event of occurrence of any of the force majeure events during the construction or the operational period as the case may be, NHAI shall extend the project completion schedule and the concession period equal in length to the duration of the force majeure event. Under the concession agreement the concessionaire is also entitled to certain termination payments on the occurrence of a force majeure event. The payments which the concessionaire is entitled to, depends on the nature of the force majeure event. If the termination is on account of a non-political event, the concessionaire is entitled to 90.00% (ninety) percent of the debt due less insurance cover; if the termination is on account of an indirect political event, the concessionaire is entitled to debt due less insurance cover and 110.00% (one hundred and ten) percent of the adjusted equity; if the termination is on account of a political event, the concessionaire is entitled to debt due and 150.00% (hundred and fifty) percent of the adjusted equity.

For each of the BOT Projects under Development that are on toll basis, if we were to complete the construction ahead of schedule, we would be entitled to collect toll payments early. In essence, this amounts to an early completion bonus. However, in the case of completion after the scheduled commercial operation date for any project, a fee of 0.10% of the performance bank guarantee in case of delay attributable to the concessionaire (as estimated by NHAI), is payable by us for each day of delay until the commercial operations begin.

In each of BOT Projects under Development which are toll based, NHAI has covenanted not to grant, for a period of 12 (twelve) to 15 (fifteen) years any additional toll way. However, the NHAI or the respective State Government may grant an additional toll way, provided the additional toll way exceeds the length of the project highway by at least 20.00%, or the toll payable on the additional toll way is at least 25.00% higher than the project highway. In case additional toll way is commissioned prior to the period stipulated under the relevant concession agreement, the concessionaire shall be entitled to an additional toll period which is equal to the duration between opening of the additional toll way and the remaining concession period**.**

In each of the BOT Projects under Development which are annuity based, NHAI has covenanted to pay annuity to the concessionaire as per the annuity payment schedule. The period of payment of annuity commences from COD, the date of payment of annuity is typically six months from COD.

The concessionaire is entitled to a bonus in annuity for early completion of the project. The bonus is paid along with the first annuity payment. Additionally, the NHAI reduces the annuity to be paid, on account of delayed project completion. In the event the concessionaire achieves COD after the scheduled date, the amount of annuity paid is reduced in proportion to the period of delay. In the event the concessionaire fails to maintain the project highway in accordance with the maintenance requirements as stipulated in the concession agreement, the concessionaire will be liable for damages, which are reduced from the annuity payment for the respective annuity payment period.

Engineering Procurement and Construction contract

An EPC contract is typically entered into by the concessionaire with a contractor, whereby the contractor becomes primarily responsible for the implementation of all design, engineering, procurement and construction efforts, in strict compliance with the design requirements and other terms and conditions of the concession agreement, in a timely manner and to the satisfaction of the concessionaire. In the event of failure or delay by such contractor, the contractor is typically required to pay the concessionaire liquidated damages. In the ordinary course of our business, we enter into engineering, procurement and construction contracts and at times only procurement and construction contracts with certain contractors and sub-contractors, retaining the designing part. The contractors appointed under such contracts provide their services on a '*fixed-sum*' basis.

Completed BOT Projects

We categorise a road project as operational when the completion certificate or provisional certificate is issued to the concessionaire as per the provisions of the respective concession agreements, referred to as the COD. Some of the key details of our Completed BOT Projects are provided below:

Sl. No	Name of the developer	Our stake (in %) as of December 31, 2012	Location	Kilometre	Commercial Operations Date
1.	GVK Jaipur - Kishangarh Expressway Private Limited	Nil*	Rajasthan	313.50 to 363.88	April 9, 2005*
2.	BSC - C & C Kurali Toll Road Limited	51.00%	Punjab	28.60 to 73.20	August 9, 2011**

** Our Company transferred its shareholding in GVK Jaipur - Kishangarh Expressway Private Limited in Fiscal 2007 pursuant to a Share Purchase Agreement and a Settlement and Release Agreement both dated September 12, 2006.*

*** The Company has received a provisional completion certificate dated September 8, 2011 for the Kurali - Kiratpur Project. Completion certificate is pending.*

BOT Projects under Development

Some of the key details of our six BOT Projects under Development are provided below:

- *Chilkaluripet - Nellore Road Project*: A concession agreement on DBFOT toll basis dated July 15, 2010 has been entered into between Simhapuri Expressway Limited and NHAI. This project is being undertaken through a JV SPV with KMC Constructions Limited through a project company, Simhapuri Expressway Limited, in which as of February 25, 2013 we hold 49% equity in the company. The total cost of the Chilkaluripet - Nellore Road Project is ₹25,500.00 million and the planned equity infusion for the project is ₹3,830.10 million, debt is ₹20,400.00 million and grant/premium received is ₹1,269.90 million. The project attained financial closure ("**Financial Closure**") on January 13, 2011. The credit rating for the project is CARE BBB(-) and is valid up to the next date of surveillance. The concession period for this project is for 30 years from the appointed date. The appointed date for the project is November 21, 2011 and the expected date of completion is May 2014.

- *Aurang Road Project:* A concession agreement on DBFOT toll basis dated January 25, 2012 has been entered into between NHAI and BSCPL Aurang. The project is being developed by BSCPL Aurang, in which as of February 25, 2013 we directly hold 51.00% and 49.00% equity in the company, through our wholly owned subsidiary BIPL. The total cost of the Aurang Road Project is ₹12,360.00 million and the planned equity infusion for the project is ₹3,800.00 million, debt is ₹ 8,560.00 million. The project is yet to be accessed for credit rating. The concession period for this project is for 28 years from the appointed date. The appointed date for the project is February 15, 2013 and the expected date of completion is August 2015.

- *Godhra Road Project*: A concession agreement on DBFOT toll basis dated February 25, 2010 has been entered into between NHAI and BSCPL Godhra Tollways Limited. As of February 25, 2013 we hold 100.00% equity in the company. The project is being developed by BSCPL Godhra Tollways Limited. The total cost of the Godhra Road Project is ₹7,500.00 million and the planned equity infusion for the project is ₹ 2,250.00 million, debt is ₹5,250.00 million. The project attained Financial Closure on August 31, 2010. The credit rating for the project is [ICRA] BB (+) and is valid up to March 13, 2013. The concession period for this project is for 27 years from the appointed date. The appointed date for the project is March 1, 2011 and the expected date of completion is August 2013.

- *Patna - Bakhtiyarpur Road Project*. A concession agreement on DBFOT toll basis dated March 31, 2011 has been entered into between Patna Bakhtiyarpur Tollway Limited and NHAI. This project is being undertaken through a JV SPV with C&C Constructions through a project company, Patna Bakhtiyarpur Tollway Limited, in which as of February 25, 2013 we hold 56.42% equity in the company. The total cost of the Patna - Bakhtiyarpur Road Project is 9,080.20 million and the planned equity infusion for the project is ₹1,136.00, debt is ₹6,810.20 million and the grant/premium received is ₹1,134.0 million and the project attained Financial Closure on September 26, 2011. The credit rating for the project is Fitch BB (+) (ind) and is valid up to the next date of surveillance. The concession period for this project is for 18 years from the appointed date. The appointed date for the project is September 26, 2011 and the expected date of completion is March 2014.

- *Muzaffarpur - Sonbarsa Road Project*: A concession agreement on DBFOT toll basis dated September 3, 2010 has been entered into between North Bihar Highway Limited and NHAI. This project is being undertaken through a JV SPV with C&C Constructions through a project company, North Bihar Highway Limited, in which as of February 25, 2013 we hold 38.76% equity in the company. The total cost of the Muzaffarpur - Sonbarsa Road Project is ₹6,560.00 million and the planned equity infusion for the project is ₹1,310.00 million, debt is ₹5,250.00 million and the project attained Financial Closure on May 30, 2011. The project is yet to be accessed for credit rating. The concession period for this project is for 20 years from the appointed date. The appointed date for the project is May 30, 2011 and the expected date of completion is November 2013.

- *Mokama Munger Road Project:* A concession agreement on DBFOT toll basis dated July 12, 2010 has been entered into between Mokama - Munger Highway Limited and NHAI. This project is being undertaken through a JV SPV with C&C Constructions through a project company, Mokama Munger Highway Limited, in which as of February 22, 2013 we hold 60.49% equity in the company. The total cost of the Mokama Munger Road Project is ₹4,440.00 million and the planned equity infusion for the project is ₹890.00 million, debt is ₹3,550.00 million. The project attained Financial Closure on January 13, 2011. The credit rating for the project is ICRA BBB (-) and is valid up to September 29, 2013. The concession period for this project is for 15 years from the appointed date. The appointed date for the project is May 15, 2011 and the expected date of completion is May 2013.

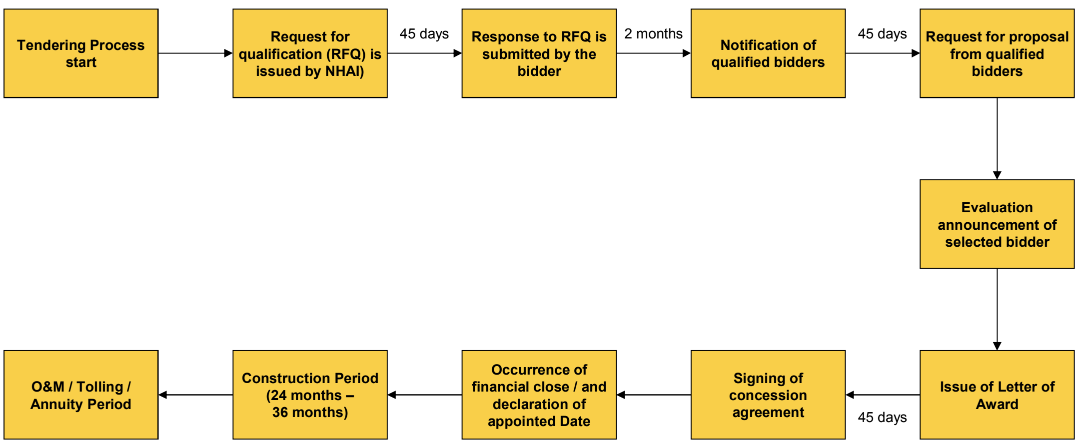
Maintenance of our road projects

During the operations period, the concessionaire is required to operate and maintain the project highway in accordance with the terms and conditions set forth in the concession agreement. The concessionaire has to maintain the project highway either by itself, or it can transfer the obligations under the concession agreement to a contractor. During the duration of the concession period, the concessionaire or its contractor may be required to modify, repair or otherwise make improvements to the project highway to (i) comply with the provisions contained in the concession agreement and applicable laws and permits, and (ii) conform to specifications and standards and good industry practice.

Each of the concession agreements for our road projects requires us to maintain the road to certain service levels/ standards during the concession period. NHAI may use one or more firms of engineers to carry out periodic tests to assess the quality of the road and its related maintenance. If we are determined to have failed to carry out our maintenance obligations, NHAI may, following the issuance of notices and the expiry of cure periods, terminate the relevant concession agreement.

Outline of a typical road project

The following diagram show the process involved in procuring a road project:



Our Construction Equipment

We believe that our strategic investment in equipment and fixed assets is an advantage that enables us to rapidly mobilize our equipment to project sites as needs arise. We have a large fleet of construction equipment assets. Having such an asset base is in our view an important advantage in serving the technically challenging and diverse nature of the construction projects in which we are engaged. Our equipment is managed, maintained and operated by our personnel at our maintenance and repair facility at the project location. Over the last three years, we have invested 2,887.15 million towards the addition to plant and machinery and fixed assets. The material types of plant and machinery used by our Construction Business include crushers, hot mix plants, concrete batching plants, concrete/bitumen pavers, rollers, excavators, concrete pumps, crawler cranes, rock breakers, air compressors, dumpers, tippers and other related equipment.

Raw Materials and Equipment

We purchase our requirements of raw materials (such as ready-mixed concrete, cement, steel bars and shaped steel), building products, equipment and components from a wide range of suppliers. Certain project owners may purchase and supply us with raw materials and building products. In addition, customers may indicate their preferred vendors for purchase of certain equipment, components and materials. We source high volumes of key raw materials such as gravel and stones, which are required for execution of road projects from dedicated quarries located near the project site. For further details, see *"**Our Competitive Strengths - Ability to execute projects in a timely and cost effective manner**"* above.

If a project contract requires raw materials or building products which are required to be purchased from abroad, we generally enter into contracts for such materials or products at the beginning of a project to protect against supply shortages and shipment delays. For raw materials or building products sourced in India, we make our purchases as needed during the term of the project equipment, including earthmoving and other special purpose machinery, quarrying machines, transportation vehicles and tools, is supplied from our own inventory as well as our external suppliers. We rely on several suppliers in India and overseas to obtain specialised equipment for a specified project or to replace equipment in our inventory.

Order Book

As of December 31, 2012, the Company had six BOT Projects under Development through our Subsidiaries and JV SPVs and 21 Projects under Construction. As of December 31, 2012 our Order Book was ₹38, 821.88 million. The orders in our Order Book are subject to the cancellation and modification provisions contained in the various contracts and other relevant documentation.

The following table sets forth the value of our Order Book as of December 31, 2012:

(₹ In million)

Construction Business	**As of December 31, 2012**
EPC Contracts from BOT Projects	26, 508.52
EPC Contracts from Construction Projects	10,070.30
Irrigation contracts	2,243.06
Total	38,821.88

Client Composition of Order Book

Of our total Order Book projects as of December 31, 2012, 31.72% of our projects are sponsored by government or government agency clients, including the Central Government, State Governments and municipalities and 68.28% of our projects are sponsored by a private sector client.

Geographical Spread of Order Book

The geographical spread of our Order Book among the various Indian states and abroad as of December 31, 2012 was as follows: 31.45 % in Andhra Pradesh, 26.79% in Chattisgarh, 14.09% in Meghalaya, 13.99% in Bihar, 3.37% in Afghanistan and the remaining are spread across the States of Assam, Karnataka and Gujarat.

Our toll revenue for our BOT Projects on a consolidated basis for the Fiscal ended March 31, 2012, was ₹ 473.46 million and was ₹ 606.52 million for the six months ended September 30, 2012.

Real Estate Development Business

Our real estate construction and development operations include the development of housing projects in Chennai, India and Dubai, UAE. In Fiscal 2006 we incorporated a wholly owned subsidiary in Dubai, BSCPL International FZE, to undertake the real estate development activities in Dubai. The housing projects currently undertaken by us include the following:

- *Bollineni Hillside Project* - This project involves the development of an integrated township at Perumbakkam - Chithalapakkam, Chennai. The project is being constructed in two phases. The total developable area (“**Developable Area**”) of the Phase I project is 2.19 million sq. ft. As of the date of this Draft Red Herring Prospectus, we are expecting Phase I of the project to be completed by September 2013. We intend to develop Phase II of the said project however we have not applied for any approvals or sanction as on date of this Draft Red Herring Prospectus.

- *Arena Apartments Project.* This project involves the development of a multi-storied building on approximately 53,035.94 sq.ft. of land located at Dubai Sports City, Dubai. The Developable Area (201,163.00 sq. ft.). This project is being carried out through Green Desert Ventures Limited a subsidiary of our wholly owned subsidiary BSCPL International FZE.

  In Fiscal 2008 we commenced the construction of this project and sold certain dwelling units against which an initial payment of part of the total value of each dwelling unit was received by Green Desert Ventures Limited. However, due to the economic slowdown in 2008 coupled with a subdued demand for real estate, majority of the bookings for the apartments were cancelled and the advance money paid by the customers was forfeited. Whilst the construction of the project was slowed down since 2009 for lack of demand, the Company resumed construction in 2012. The estimated completion date for this project is April 2013.

While we have no interest in any other real estate construction and development project, our Company may in the future decide to expand its Real Estate Development Business and we may undertake construction and development of FDI compliant real estate development projects.

We had acquired land located at, Jumeirah Village adjacent to our existing apartment project in Dubai, through our subsidiary, Progressive International Holdings Inc., (“**Progressive Holdings**”) to develop a hotel. Our Land Reserves comprise of lands registered in the name of our Company and properties acquired by the joint ventures of our subsidiary, BSCPL International FZE for additional details, see section titled “***Our Business - Our Land Reserves***” on page 170.

Our revenue from Real estate development for the Fiscal ended March 31, 2012 and March 31, 2011was ₹ 2,032.53 million, and ₹ 1,573.36 million respectively and was ₹ 1,065.75 million for the six months ended September 30, 2012.

Key Processes and Technology

Our clients typically specify the technology and processes for the implementation of the project in the relevant tender documents. These technologies and processes generally include conventional technologies and methods. However, as new technologies and processes become available, our clients may require us to utilise such new technologies and processes in the construction of our projects. We continue to upgrade the technologies and processes that we utilise to comply with client specifications.

Employees

Further, as of January 31, 2012, our Company has a work force of full time employees on its rolls. Of the 2,523 employees 12 are part of the management, 503 are technical employees, 675 are accounting and non-technical employees, 662 are skilled operators and 671 are skilled staff. In addition to the full time employees who are on our rolls, we also engage contract labourers for part time work at our project sites as and when required.

We have not experienced any significant labour disputes and believe that relations with our employees are satisfactory. We have also established a training program for our employees and we intend to continue investing in recruiting, training and maintaining a rewarding work environment. As part of our human resources initiatives, we have entered into an agreement with Pipal Tree Ventures Limited to source trained and skilled employees for one of our JV SPV.

Business Development

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

In selecting contractors for major projects, clients generally limit the tender to contractors they have pre-qualified based on several criteria, including experience, technical capability and past performance, reputation for quality, safety record, financial strength and size of previous contracts in similar projects. Recognizing that pre-qualification is key to our winning projects, we continue to focus on achieving pre-qualification. Over the years, through the execution of several road projects, we had achieved a pre-qualification to bid for projects up to ₹ 21,500 million in value on a standalone basis. For further details in this regard, see "***Our Competitive Strengths - Pre-qualification for bidding and ability to work successfully in partnerships***" above.

The NHAI calls for project specific prequalification bids from interested parties. The prequalification bid along with supporting documents will have to be submitted by contracting firms/ joint ventures, as may be applicable. The prequalification of contractors and their eligibility limit for award of contract(s) are determined on the basis of objective evaluation of their past experience, technical qualifications and financial capabilities.

Prequalification is awarded based on the applicant meeting the minimum criteria, regarding their general and particular experience, financial position, personnel and equipment capabilities and other relevant information as demonstrated in the letter of application. In the event a joint venture is applying for the prequalification, certain additional requirements are to be met. Each member of the joint venture is required to furnish information such as; average annual turnover, particular construction experience, personnel capabilities, equipment capabilities and construction cash flow. The qualification of the joint venture members may be added together to meet the collective qualifying criteria. Upon obtaining a prequalification certificate the Company and/or the joint ventures may submit their financial proposal for the particular project.

Competition

The infrastructure development industry in India is fragmented and very competitive. We expect to face competition from large domestic, as well as international, construction and property development companies. Although we are one of the largest and most diversified construction companies in India, we face competition from other Indian and foreign construction companies in each of our areas of activity. For further details, see section titled *"**Industry Overview**"* on page 126 for more details

Most of the contracts awarded by the Government and State Governments are awarded on a competitive bidding basis and satisfaction of other prescribed pre-qualification criteria. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience, are important considerations in client decisions, price is a major factor in most tender awards. Our ability to bid for and win major infrastructure development projects is also dependent on our ability to show experience in executing large projects, demonstrate that we have strong engineering capabilities in executing technically complex projects, and that we have sufficient financial resources and/or ability to access funds. Some of our competitors are larger than us and have greater financial resources. They may also benefit from greater economies of scale and operating efficiencies. 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. Our competitors with greater financial resources and greater economies of scale than us may also be able to pre-qualify in their own right and/or attract a joint venture partner more easily than us.

We expect the Indian construction market to remain highly competitive, given that the Indian construction sector is becoming increasingly attractive due to ongoing liberalisation, rising expenditures by the Government on infrastructure and various policy initiatives for development of infrastructure. While we believe that the liberalisation of the Indian economy creates attractive business opportunities for us, we also anticipate that competition from both Indian and foreign companies will increase. See section titled *"**Risk Factors — Risks Related to Our Business**"* on page 22.

While non-Indian construction firms have not been significant competitors in the past, these firms are increasing their level of activities in India. In the future, we expect increased competition from foreign construction companies. We expect that foreign construction companies would very likely enter the Indian market in partnership with Indian firms.

Environment, Health and Safety

As a construction company, we are required to comply with various laws, rules and regulations relating to the environment. We believe that we comply in all material respects with all environmental regulation that are applicable to us. In particular, we have consents from the various State Government and Government agencies necessary to carry on our business. There are currently no proceedings pending or, to the best of our knowledge, threatened against us or any of our Directors, officers or employees in relation to environmental regulations.

We are firmly committed to internationally accepted best practices and strive to maintain a strict adherence to environmental management of our operations throughout India and in foreign jurisdictions. To ensure effective implementation of our practices, we seek to identify hazards at the beginning of our work on a project, evaluate the associated risks and institute and monitor appropriate controls and methods.

We believe that many accidents and occupational health hazards can be prevented through systematic analysis and control of risks and by providing appropriate training to employees, subcontractors and communities. We encourage our employees to work proactively towards eliminating or minimizing the impact of hazards to people and the environment. We believe our adoption of company-wide occupational health and safety procedures is an integral part of our operations.

For a description of the material environmental laws applicable to us, see section titled *"**Regulations and Policies**"* on page 173.

Insurance

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially all of our insurance policies relate to the coverage of contractor's all risk. The policies provide appropriate coverage in relation to fire, explosions, floods, inundations, windstorms, earthquakes, landslides, and personal injury claims by our personnel. For certain of our projects, we maintain insurance cover with the appropriate endorsements and clauses. We consider our insurance coverage to be adequate and when we promote a project SPV for the purpose of BOT projects, we endeavour to ensure that it has adequate insurance.

Information Technology

We use commercially available software packages, which are mainly used in financial accounting, inventory management, payroll, asset management, billing and project cost estimates. This software is used in all our offices, both in India and abroad. In order to support our future growth plans, we intend to further upgrade our IT system. Our IT system is periodically upgraded, including through the implementation of new software and through the hiring of a number of consultants with a particular expertise in the construction sector.

Property

Our registered and corporate office is leased to us by a lease deed dated April 20, 2011. The lease is initially for a period from April 20, 2011 until March 31, 2015 and may be renewed for an additional period of three years at the option of our Company.

We also have a branch office in Gurgaon and a marketing office in Chennai that is owned by us. Our regional office in Bengaluru was leased by us vide a lease dated December 7, 2012. In addition to the above, we have project offices that are set up at various locations that are closer to the project sites. Further, we also own certain land at locations close to the various project sites for undertaking quarrying operations. These may be sold by us from time to time upon completion of our projects. In addition to land located near our project sites we own certain Land Reserves which comprise of lands registered in the name of our Company, for additional details, see section titled "***Our Business** - **Our Land Reserves***" on page 170. Additionally, we acquire plots of land near the project sites during the normal course of business for the purposes of mobilisation of resources etc.

We intend to acquire or lease additional premises for offices and other purposes relating to our business, both in India and abroad, as the need arises.

Intellectual Property

We seek to protect our intellectual property rights to the fullest extent practicable. We do not have any registered trademark, trade name, copyright or other intellectual property right in or to the names "BSCPL Infrastructure" or "BSCPL" or our logo. We have made a trade mark application for registration of "BSCPL" and our logo on September 15, 2011. The applications for registration are currently pending.

OUR LAND RESERVES

Our Land Reserves comprise of lands to which our Company has title, in India and outside India. Our total Land Reserves aggregate 78.21 acres. In India, our Land Reserves consist of 76.43 acres (including 29.65 acres sold to various purchasers of flats/villas in Bollineni Hillside Project) located near Chennai, India where we are currently engaged in the construction of Phase I of our Bollineni Hillside Project at Chennai, and intend to develop Phase II of the said project. Outside India, our Land Reserves consists of 1.22 acres located in Al Hebiah Fourth, Dubai, where we are currently engaged in the construction of Arena Apartments Project and 0.56 acres of land located in Jumeriah village, Dubai.

Phase I of our Bollineni Hillside Project comprised 2.19 million square feet of Developable Area of ("**Phase I**"). For details of the same please refer to the sections titled ***"Our Business"*** on page 147 and "***Government Approvals"*** on page 336.We have not commenced the development of the proposed Phase II of the Bollineni Hillside Project.

Our 'Arena Apartments' project in Dubai comprised of 0.20 million square feet of Developable Area. For further details of the same please refer to the sections titled ***"Our Business"*** on page 147. We have not commenced the development at our Land Reserves in Jumeirah Village, Dubai.

The following is a summary of our Land Reserves**:**

Sr. No.	**Land Bank / Land Reserves (Category Wise)**	**Acreage (in acres)**	**% of Total Acreage**	**Estimated Developable Area (in million sq. ft.)**	**% of Developable area**	**Estimated Saleable Area (in million sq. ft.)**	**% of Saleable Area**
I.	Land owned by the Company						
	1. By itself	76.43*	97.72%	2.19 +#	91.63%	2.19 +#	93.99%
	2. Through its subsidiaries	1.78	2.28%	0.20**	8.37%	0.14**	6.01%

II.	Land over which the Company has sole development rights						
	1. Directly by the Company	Nil	Nil	Nil	Nil	Nil	Nil
	2. Through its subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
	3. Through entities other than (1) and (2) above	Nil	Nil	Nil	Nil	Nil	Nil
III.	Memorandum of Understanding / Agreements to acquire / letters of acceptance to which the Company and / or its subsidiaries and / or its group companies are parties, of which						
	1. Land subject to government allocation	Nil	Nil	Nil	Nil	Nil	Nil
	2. Land subject to private acquisition	Nil	Nil	Nil	Nil	Nil	Nil
(A)	**Sub-total (I) + (II) + (III)**	**78.21**	**100.00%**	**2.39**	**100.00%**	**2.33**	**100.00%**
	Joint developments with partners						
IV.	Land for which joint development agreements have been entered in to:						
	1. Directly by the Company	Nil	Nil	Nil	Nil	Nil	Nil
	2. Through its subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
	3. Through entities other than (1) and (2) above	Nil	Nil	Nil	Nil	Nil	Nil
V.	Proportionate interest in lands owned indirectly by the Company through joint ventures	Nil	Nil	Nil	Nil	Nil	Nil
(B)	**Sub-total (IV) + (V)**	**0**	**0**	**0**	**0**	**0**	**0**
(C)	**Total (I) + (II) + (III) + (IV) + (V)**	**78.21**	**100.00%**	**2.39**	**100.00%**	**2.33**	**100.00%**

* An extent of 12,91,952.52 sq. ft. (29.659 acres) out of the properties covered under document nos.: 1741/2006, 1743/2006, 1744/2006, 1745/2006 and 6036/2007 of Tambaram SRO, has been sold to various purchasers, who purchased of the flats/villas in the project.

** Does not include our Land Reserves in Jumeriah village, as the development plan has not been finalized.
# Does not include our Land Reserves in relation to Phase II of Bollineni Hillside Project as the development plan has not been finalized
+ Excluding internal roads and landscape area.

(i) Description of our Land Reserves

(i) Land owned by the Company

(i).1 By Itself:

The land that the Company owns consists of land for which the sale deeds have been executed in favour of the Company. The Company owns 76.43 acres (including 29.659 acres sold to various purchasers of flats/villas in Bollineni Hillside Project) of land constituting 97.72% of the total Land Reserves. Of the said land we are currently developing approximately 2.19 million sq. ft. as part of our Bollineni Hillside Project, constituting approximately 91.63% of our total Developable Area. For details on associated risk, please see the "***Risk Factors***" on page 22.

(i).2 Through its Subsidiaries:

The land owned by the Company, through its Subsidiaries consists of land, outside India, in Dubai for which title deeds/ sale & purchase agreement have been executed in favour of our Subsidiaries, Green Desert Ventures Inc. and Progressive International Holdings Inc. The Company owns, through its Subsidiaries, 1.78 acres of land constituting 2.28% of the total Land Reserves. Of the said land we are currently developing approximately 0.20 million sq. ft. as part of our Arena Apartments Project constituting approximately 8.37% of the total Developable Area. For details on associated risk, see the "***Risk Factors***" on page 22.

Category (II): Land over which the Company has sole developable rights

We do not possess any land reserves in this category.

Category (III): Land in respect of which memoranda of understanding / agreements to acquire / letters of acceptance have been entered into

We do not possess any land reserves in this category.

Category (IV): Land in respect of which the Company has entered into joint development agreements

We do not possess any land reserves in this category.

Category (V): Land owned indirectly by the Company through joint ventures

We do not possess any land reserves in this category.

For details of our other properties which do not form a part of our Land Reserves, please see section titled "***Our Business - Property***" on page 169.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of the relevant authorities that are available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects. As part of our construction business we provide services including EPC services on a lump sum turnkey basis as well as on an item rate basis for various infrastructure projects including projects relating to roads, airport runways, railways, irrigation and building construction. As part of our development business, we develop road projects on a "build, operate and transfer" basis, operate them during the concession period on toll or annuity basis and subsequently transfer the projects to NHAI and also develop and construct residential building projects both in India and abroad.

A. Road Sector

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

National Highways Act, 1956 ("NH Act")

Under NH Act, the GoI is vested with the power to declare and omit a highway as a national highway and also to acquire land for this purpose. The GoI may by notification, declare its intention to acquire any land when it is satisfied that for a public purpose such land is required for the building, maintenance, management or operation of a national highway. The NH Act prescribes the procedure for the same. Such procedure relates to declaration of an intention to acquiring, entering and inspecting such land, hearing of objections, declaration required to be made for the acquisition and the mode of taking possession. The NH Act also provides for payment of compensation to owners who enjoy easement over such lands.

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

National Highway (Collection of Fees by any Person for the Use of Section of National Highways/ Permanent Bridge/ Temporary Bridge on National Highway) Rules, 1997 (the "NH Rules")

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

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

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

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

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

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

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

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

The National Highways Authority of India (Amendment) Bill, 2008, was approved by the Cabinet in December 2008. It aims at increasing institutional capacity of NHAI and help execute the powers delegated to it. The government plans to make NHAI a multi-disciplinary professional body with financial management and contract management expertise. It aims at induction of professionals who in turn will enhance the capacity of NHAI to take strategic decisions, widen the perspective, bring in best management practices and help in achieving goals of higher private participation.

Indian Tolls Act, 1851

Pursuant to the Indian Tolls Act, 1851, the State Governments have been vested with the power to levy tolls at such rates as they deem fit, to be levied upon any road or bridge, made or repaired at the expense of the Central or any State Government. The tolls levied under the Indian Tolls Act, 1851, are deemed to be 'public revenue'. The collection of tolls can be placed under any person as the State Governments deem fit under the said Act and they are enjoined with the same responsibilities as if they were employed in the collection of land revenue. Further, all police officers are bound to assist the toll collectors in the implementation of the Indian Tolls Act, 1851.

Provisions under the Constitution of India and other legislations in relation to collection of toll

Entry 59, List II of Schedule VII read with Article 246 of the Constitution of India vests the states with the power to levy tolls. Pursuant to the Indian Tolls Act, 1851, the State Governments have been vested with the power to levy tolls at such rates as they deem fit. The tolls levied under the Indian Tolls Act, 1851, are deemed to be 'public revenue'. The collection of tolls can be placed under any person as the State Governments deem fit under the said Act and they are enjoined with the same responsibilities as if they were employed in the collection of land revenue. Further, all police officers are bound to assist the toll collectors in the implementation of the Indian Tolls Act, 1851.

B. Irrigation Sector

Irrigation being an entry in the State List of the Seventh Schedule to the Constitution of India, is governed by the laws of State Governments. Most States have separate irrigation departments whose functions, apart from enforcement and implementation of relevant State Government legislation/ policy, also entail regulation of engineering activities including research, design, execution, quality control of projects, canals and canal structures in accordance with such legislation/ policy. Additionally, the Central Water Commission, Ministry of Water Resources, GoI is entrusted with the general responsibilities of initiating, coordinating and furthering, schemes for control, conservation and utilization of water resources throughout the country, including for irrigation, in consultation with relevant State Governments.

In addition to the above, all management of water resources in India is guided by the National Water Policy, 2002 which broadly prioritises water in the following manner: (i) drinking water; (ii) irrigation; (iii) hydro-power; (iv) ecology; (v) agro-industries and non-agricultural industries; and (vi) navigation and other uses. The National Water Policy, 2002 further recommends the manner in which water resources are to be developed and managed in the country and further encourages private sector participation in planning, development and management of water resources projects for diverse uses, wherever feasible.

C. Real estate sector

Transfer of Property Act, 1882 ("T.P. Act")

The T.P. Act deals with the various methods in which transfer of property including transfer of immovable property or any interest in relation to that property, between individuals, firms and companies takes place. This mode of transfer between individuals, firms etc is governed by the provisions of the T.P. Act, as opposed to the transfer of property or interest by the operation of law. The transfer of property as provided under the T.P. Act, can be through the mode of sale, gift and exchange while an interest in the property can be transferred by way of a 'lease' or 'mortgage'.

The T.P. Act stipulates the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

Indian Easements Act, 1882 ("Easements Act")

The right of easements is derived from the ownership of property and is governed by the Easements Act. An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits the owner to do or to prevent something being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest created in favour of the licensee, as opposed to a lease, which creates an interest in favour of the lessee. The period and incident upon which a license may be revoked may be provided in the license agreement entered into between the licensor and the licensee.

Registration Act, 1908 ("Registration Act")

The Registration Act has been enacted with the object of providing public notice of the execution of documents affecting a transfer of any interest in an immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title, publication of documents and prevention of fraud. It lays down in detail, the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding eleven months or reserving a yearly rent.

An unregistered document (which compulsorily requires registration) will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the T.P. Act or as collateral), unless it has been registered. The amount of the fees under the Registration Act for the purpose of registration, vary from State to State.

The Indian Stamp Act, 1899 ("Stamp Act")

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. The applicable rates for stamp duty on the instruments chargeable with duty are prescribed in the schedules to the Indian Stamp Act, 1899 and the relevant stamp legislations enacted by each State. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in a court of law as evidence of the transaction contained therein. The stamp enactments also provide for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Land Acquisition Act, 1894

Land holdings are subject to the Land Acquisition Act, 1894 which provides for the compulsory acquisition of land by the Central Government or appropriate State Government for public purposes, including planned development and town and rural planning. However, any person having an interest in such land has the right to object to such compulsory acquisition and has the right to compensation. In addition, certain states have amended the central statute and framed their own rules for compulsory land acquisition. The Company has to abide by the State legislations in those states in which it conducts its business, in addition to the Central legislation.

Classification of Lands

Usually, land is broadly classified as agricultural and non-agricultural. Further non-agricultural land has different categories such as residential, commercial, industrial etc, based on the specified land usage. Land classified under a specified category is permitted to be used only for such purpose. In order to use land for any other purpose, prior permission from the relevant revenue, municipal or planning authorities would be required. Where the land is originally classified as agricultural land, in order to use the land for any other purpose, the land is required to be converted or alienated for non-agricultural purposes. In addition, some State governments in India have imposed various restrictions, which vary from State to State, on the transfer of property within such States.

Development of Agricultural Land

The acquisition of agricultural land is regulated by state land reform laws, which prescribe limits up to which an entity may acquire agricultural land. Any transfer of land which results in the aggregate land holdings of the acquirer in the state to exceed this ceiling is void, and the surplus land is deemed, from the date of the transfer, to have been vested in the State government free of all encumbrances. Certain States also prohibit the acquisition of agricultural land by non-agriculturists.

When a local or planning authority earmarks certain areas for non-agricultural use such as, townships and commercial complexes, agricultural lands may be acquired for such specified development. After obtaining a conversion certificate from the appropriate authority with respect to a change in use of the land from agricultural to non-agricultural, the ceiling limits in relation to agricultural lands will not be applicable.

Appropriate licenses would need to be obtained for development of land. While granting licenses for development, the authorities generally levy proportional development charges for the provision of services such as laying down of main lines, drainage, sewerage, water supply and electricity.

Land Use Planning

Land use planning and its regulation, including the formulation of regulations for building construction, form a vital part of the urban planning and development process. Various enactments, rules and regulations have been made by the Government, concerned State Governments, planning authorities, municipal corporations and municipalities, village panchayats etc which deal with the acquisition, ownership, possession, development, zoning and usage of land. All relevant applicable laws, rules and regulations have to be taken into consideration by any person or entity proposing to enter into any real estate development or construction activity in this sector in India.

Building Consents

Each state and city has its own set of laws for construction, which govern planned development (such as floor area ratio or floor space index limits, set backs, height restrictions etc). The various authorities that govern building activities in states include the town and country planning department, municipal corporations. Any application for undertaking any construction or development activity has to be made to the town planning authority, municipality, municipal corporation, village panchayat etc as the case may be, who has jurisdiction to sanction such construction.

The Urban Arts Commission advises the relevant State Government in the matter of preserving, developing and maintaining the aesthetic quality of urban and environmental design in some states and also provides advice and guidance to any local body with respect to building or engineering operations or any development proposal which affects or is likely to affect the skyline or the aesthetic quality of the surroundings or any public amenity provided therein. Under certain State laws, the local body, before it accords its approval for building operations, engineering operations or development proposals, is obliged to refer all such operations to the Urban Arts Commission and seek its approval for the project. Additionally, certain approvals and consents may also be required from various other departments, such as the Pollution Control Board, Fire Services Department, the Airports Authority of India, the Archaeological Survey of India etc.

Tamil Nadu

Some of the important legislations enacted by the State of Tamil Nadu are provided below.

Tamil Nadu Town and Country Planning Act, 1971 ("TNTCP Act")

The main objective of the TNTCP Act is to regulate planned growth of land use and to develop and execute town planning schemes in the State of Tamil Nadu. The TNTCP Act notifies the areas, constitution of authorities like Chennai Metropolitan Development Authority, preparation and implementation of master plan and detailed development plan and enforcement of development control regulations. The development plan/master plan specifies the usage of land within the local area which provides for allotment or reservation of land for residential, commercial, industrial and agricultural purposes for parks and open spaces, major streets, airport and canals, area reserved for further developments, expansion and for new housing. The plans may also include detailed development of specific areas for housing, shopping, industries, the height, and number of storeys and size of the building.

This TNTCP Act further provides for the preparation of a 'regional plan' which is a tool to integrate the urban and the rural areas. The TNTCP Act has resulted in a situation whereby a developer has to submit two applications and obtain two permissions. The first permission is the planning permission under the TNTCP Act and the second permission for building license, layout from the relevant licensing authorities.

The land use and planning/development activities in municipal areas (urban/local) is controlled and regulated by the local body authorities (municipalities) under the provisions of the Tamil Nadu Urban Local Bodies Act, 1998 and in panchayat areas by the Panchayat Authorities (Panchayat Board) under the provisions of the Tamil Nadu Panchayats Act, 1994.

The CMDA is an authority constituted under the TNTCP Act. The purpose of establishing the CMDA is to plan, co-ordinate and supervise the proper and orderly development of the 'Chennai metropolitan area'. The CMDA co-ordinates and monitors projects executed through Government agencies, Non - Government organisations and community based organisations.

Tamil Nadu District Municipalities Act, 1920

The Tamil Nadu District Municipalities Act, 1920 was established to consolidate and amend the laws, relating to the establishment of 'municipal corporations' in the State of Tamil Nadu except in Chennai. Under the said act, the construction industry is regulated by the municipal office which imposes mandatory requirements such as obtaining of approvals, compliance with building bye-laws, regulation of future constructions, etc.

Tamil Nadu Fire Services Act, 1985

The maintenance of fire services in the State of Tamil Nadu is regulated by the provisions of the Tamil Nadu Fire Services Act, 1985. The primary function of the fire and rescue services department is to save life and property of the public from fire and other accidents. The fire and rescue services department also provides advice on fire protection measures for high-rise buildings, factories, places of public resort, fairs and festivals. Any person proposing to construct a high raised building or a building proposed to be used for any other purpose other than residential purpose should apply for approval from the concerned authority.

Tamil Nadu Land Re-forms (Fixation of Ceiling on Land) Act, 1961("TNLRA")

The ownership and holding of land for agricultural purposes within the state of Tamil Nadu is regulated by the TNLRA. Under TNLRA, companies, individuals, other entities are permitted to hold land for agricultural purposes up to a maximum of 15 acres. A higher ceiling, ranging between 25 acres to 40 acres, is prescribed for educational institutions such as universities and schools. An industrial/ commercial undertaking can make an application to hold agricultural lands in excess of the ceiling limits for industrial/ commercial activity. Permission from the state government could be issued with such conditions as it may deem fit and for a period as may be permitted.

The use of any land, other than agricultural land for development for commercial/ residential purpose is regulated by TNTCP Act being the parent act, and through provisions of the Tamil Nadu Urban Local Bodies Act 1998 and the Tamil Nadu Panchayats Act 1994 which are applied within the overall frame work of TNTCP Act.

The TNTCP Act supersedes TNLRA so far as use of land for development of commercial/ residential purposes is concerned.

The Tamil Nadu Urban Land Tax Act

With the object of securing the State revenue in respect of urban lands put to non-agricultural uses, the levy of urban land tax was introduced in Madras city by the Tamil Nadu Urban Land Tax Act, 1963. Under this act all the urban lands were assessed to urban land tax, on the market value of each urban land. For the purpose of this act, the market value of any urban land shall be estimated to be the price which in the opinion of the assistant commissioner, or the tribunal, as the case may be, such urban land would have fetched or fetch, if sold in the open market on the specified date. The market value determined under this Act, with reference to any specified date, remains in force for such period as the Government may, from time to time, specify in this behalf and such period shall commence from such specified date. This Act provided for the valuation of each urban land for the purpose of urban land tax.

D. Other Laws

The laws above are specific to the regulations specifically applicable to an operating business. The generic regulations that are applicable to the Company include environmental laws, labor laws and other applicable laws.

Foreign Investment Regime

Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act, 1999, ("**FEMA**"), and the rules, regulations and notifications thereunder, as issued by the Reserve Bank of India from time to time, and the policy prescribed by the Department of Industrial Policy and Promotion, which provides for whether or not approval of the Foreign Investment Promotion Board ("**FIPB**") is required for activities to be carried out by foreigners in India.

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("**FEMA Regulations**") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals is required from the RBI, for FDI under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI.

The Industrial Policy, 1991 prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy. The Government of India has since amended the Industrial Policy, 1991 from time to time in order to enable FDI in various sectors in a phased manner gradually allowing higher levels of foreign participation in Indian companies. The FEMA regulates the precise manner in which such investment may be made. Under the industrial policy and the RBI regulations, unless specifically restricted, foreign investment is freely permitted in almost 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 the Foreign Investment Promotion Board of the Government of India ("**FIPB**") and the RBI. As per current foreign investment policies, foreign direct investment in the Company is allowed up to 100% under the automatic route.

Overseas Direct Investment

Direct investments by residents in Joint Venture Companies and Wholly Owned Subsidiary abroad is regulated by the FEMA, read with the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as amended from time to time.

Overseas Investment can be made under two routes viz. (i) Automatic Route and (ii) Approval Route. An Indian party is permitted to make investment in overseas joint ventures/wholly owned subsidiaries, not exceeding 400 per cent of the net worth of the Indian party as on the date of the last audited balance sheet. Indian parties are prohibited from making investment in a foreign entity engaged in real estate business, without the prior approval of the Reserve Bank. In this context, "real estate" means buying and selling of real estate or trading in Transferable Development Rights (TDRs) but does not include development of townships, construction of residential / commercial premises, roads or bridges. The ceiling will include contribution to the capital of the overseas joint ventures/wholly owned subsidiaries, loan granted to the overseas joint ventures/wholly owned subsidiaries, and 100% of guarantees issued to or on behalf of the overseas joint ventures/wholly owned subsidiaries. The Indian entity may extend loan / guarantee to an overseas concern only in which it has equity participation. Prior approval of the Reserve Bank would be required in all cases of direct investment abroad for which the automatic route is not available. For this purpose, application together with necessary documents should be submitted in Form ODI through their Authorised Dealer Category – I banks. The RBI would take into account various factors while considering such applications, including prima facie viability, contribution to external trade and other benefits which will accrue to India through such investment, financial position and business track record of the Indian party and the foreign entity and expertise and experience of the Indian party in the same or related line of activity of the joint ventures/wholly owned subsidiaries outside India.

Fiscal Legislations

The Company is subject to certain fiscal legislations such as the Income Tax Act, 1961, the Central Excise Act, 1944, the Customs Act, 1962 and the Central Sales Tax Act, 1956. In addition, we are also required to obtain registration under various State Acts on Excise and Sales for the purposes of carrying on our business in those States.

Environment Regulations

Our projects require approvals under the following environmental legislations. This is because the implementation of our projects might have an impact on the environment where they are situated in.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act provides for the constitution of a Central Pollution Control Board ("**Central Board**") and State Pollution Control Boards ("**State Board**"). 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 Boards.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act mandates that no person can, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area. The Central and State Boards constituted under the Water Act are also to perform functions as per the Air Act for the prevention and control of air pollution.

The Environment (Protection) Act, 1986 ("EPA")

The EPA has been enacted for the protection and improvement of the environment. The EPA empowers GoI 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. GoI may make rules for regulating environmental pollution.

Forest (Conservation) Act, 1980

The Forest (Conservation) Act, 1980 prevents State Governments from making any order directing that any forest land be used for a non-forest purpose or that any forest land is assigned through lease or otherwise to any private person or corporation not owned or controlled by the government without the approval of GoI. The Ministry of Environment and Forests mandates that 'environment impact assessment' must be conducted for projects. In the process, the said Ministry receives proposals for the setting up of projects and assesses their impact on the environment before granting clearances to the projects.

The Environmental Impact Assessment Notification S.O. 1533, issued on September 14, 2006 (the "EIA Notification")

Under the provisions of EPA, prescribes that new construction projects require prior environmental clearance of the Ministry of Environment and Forests, GoI. The environmental clearance must be obtained from the Ministry of Environment and Forests, GoI according to the procedure specified in the EIA

Notification. No construction work, preliminary or other, relating to the setting up of a project can be undertaken until such clearance is obtained.

Under the EIA Notification, the environmental clearance process for new projects consists of four stages – screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant is required to make appropriate changes in the draft environment impact assessment report and the 'Environment Management Plan'. The final Environment Impact Assessment Report has to be submitted to the concerned regulatory authority for its appraisal. The regulatory authority is required to give its decision within 105 days of the receipt of the final environment impact assessment report.

Hazardous Waste (Management and Handling) Rules, 1989

The issue of management, storage and disposal of hazardous waste is regulated by the Hazardous Waste (Management and Handling) Rules, 1989 made under the EPA. The said rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also impose obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991, as amended imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the said act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

Labor and Employment related Regulations

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

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

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

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 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 said act. The Company has a provident fund for all our permanent employees.

The Employees' State Insurance Act, 1948 ("ESI Act")

The ESI Act applies to all factories unless seasonal in nature which employ 10 or more employees and carry on a manufacturing process with the aid of power (20 employees where manufacturing process is carried out without the aid of power). 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 ₹ 6,500 per month 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 Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 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 said act 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. Further, 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 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 said act 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 GoI may, by notification, specify. The Company provides for payment of gratuity and superannuation to all our permanent employees.

The Payment of Wages Act, 1936 ("Wages Act")

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 said act.

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

The Construction Workers Act provides for the establishment of 'Boards' at the state level to regulate the administration of the Construction Workers Act including employment and conditions of service of building and other construction workers and also their safety, health and welfare measures. All enterprises involved in construction are required to be registered within 60 days from the commencement of the construction works. The Construction Workers Act also provides for regulation of employment and conditions of service of building and other construction workers including safety, health and welfare measures in every establishment which employs or employed during the preceding year, 10 or more workers in building or other construction work. However, it does not apply in respect of residential houses constructed for one's own purpose at a cost of less than ₹ 1,000,000 and in respect of other activities to which the provisions of the Factories Act, 1948 and the Mines Act, 1952 apply. Every employer must give notice of commencement of building or other construction work within 30 days from the commencement of the construction works.

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

Employee's Compensation Act, 1923

The Employee's Compensation Act, 1923 provides for payment of compensation to workmen and their dependents in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The said act applies to persons employed in any capacity as is specified therein and includes persons employed in the construction, maintenance or repair of any road, bridge, dam etc.

Inter-state Migrant Workers Act, 1979

The Inter-state Migrant Workers Act, 1979 applies to any establishment or contractor who employees five (5) or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding twelve months. An 'inter-state migrant workman' is defined under Section 2 (e) to include any person who is recruited by or through a contractor in one state under an agreement or other arrangement for employment in an establishment in another state, whether with or without the knowledge of the principal employer in relation to such establishment. All such establishments employing migrant workers must be registered otherwise such workmen cannot be employed by them.

The Minimum Wages Act, 1948 ("Minimum Wages Act")

The Minimum Wages Act, 1948 provides for the fixing of appropriate minimum wages for workers involved in the various scheduled industries as specified therein and includes employment on the construction or maintenance of roads or in building operations.

Shops and Establishments legislations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of the Company

Our Company was reconstituted as a partnership firm under the name and style of B. Seenaiah & Company by way of a partnership deed dated May 11, 1983 with (i) Bollineni Seenaiah, (ii)Bollineni Bhaskar Rao, (iii)Chappidi Janardhan Rao, (iv) Bollineni Sujatha, (v) Talluru Lalithamma, (vi) M. Sundaraiah, (vii) K. Venkaiah Naidu and (viii) B. Srinivasa Reddy as its partners and registered office at 6-3-628/10, Ravindranagar, Khairatabad, Hyderabad. Object of the firm was to carry all kinds of civil construction, supply works, railway works etc. with Governmental bodies or other parties. Subsequently, the partnership firm was reconstituted pursuant to a partnership deed dated July 2, 1991 between (i) Bollineni Seenaiah, (ii) Bollineni Bhaskar Rao, (iii) Chappidi Janardhan Rao, (iv) Bollineni Sujatha, (v) Talluru Lalithamma, (vi) Pochana Seshadri Reddy, (vii) Dandamundi Anitha, (viii) T. Dayakar and (ix) Bollineni Venkamma. Pursuant to the said deed, the place of business was shifted to the Registered Office. The terms of the partnership was subsequently amended pursuant to a partnership deed dated April 9, 1992. The firm was converted subsequently under the Companies Act into a public limited company under the name, B. Seenaiah & Company (Projects) Limited on March 31, 1998. All of the business and property of the erstwhile partnership firm therefore, became vested in the Company. The Company obtained the certificate of commencement of business on April 3, 1998. The name of the Company was changed to BSCPL Infrastructure Limited with effect from July 14, 2008 and a fresh certificate of incorporation dated July 14, 2008 was issued by the RoC. The aforesaid changes were made to the name to shorten the erstwhile name of the Company. The Company was allotted a company identification number of U45203AP1998PLC029154.

Scheme of Arrangement entered into by the Company

Pursuant to the approval of a scheme of arrangement by the High Court of Andhra Pradesh through an order dated April 27, 2007 and upon filing of a certified true copy of the order with the RoC, the undertaking of the Company comprising of business of manufacture and sale of power and steel being carried on by the Company was demerged from the Company together with assets and liabilities to Bollineni Casting and Steel Limited with effect from April 1, 2006. Further, in consideration to the demerger, equity shares of Bollineni Casting and Steel Limited were issued to shareholders of the Company in the ratio of 184 equity shares for every 100 equity shares held on the record date i.e. May 10, 2007.

Changes in the Registered Office

Our Registered and Corporate Office was originally located at 6-2-913/914, V Floor, Progressive Towers, Khairatabad, Hyderabad 500 004, Andhra Pradesh, India. Pursuant to a resolution dated January 9, 2012 of the Board, it was shifted to M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India. The change in our registered office was effected to facilitate the convenience of the business of our Company.

Key Events, Milestones, Accreditations and Achievements

Fiscal Year	Key Events, Milestones and Achievements
1983	Reconstituted as a partnership firm.
1998	Converted to a public limited company.
2002	Completion of four laning including strengthening of existing two lane pavement of Barwa Adda to Barakar from Km 398.750 to Km441.440, NH-2, in the State of Bihar, along with our Malaysian joint venture partners Road Builder (m) Sdn Bhd and Pati Sdn Bhd.
2002	Completion of four laning including strengthening of existing two lane pavement of Raniganj to Panagarh from Km 474.000 to Km 515.236, NH-2, in the State of West Bengal along with our Malaysian joint venture partners Road Builder (m) Sdn Bhd and Pati Sdn Bhd.
2003	Completion of four laning including strengthening of existing two lane pavement of Gurgaon to Kotputli from Km 36.635 to 162.500, in the States of Haryana and Rajasthan, along with our Malaysian joint venture partners Road Builder (m) Sdn Bhd and Pati Sdn Bhd.
2003	Awarded first BOT project - Jaipur - Kishangarh Project for widening and rehabilitation of existing two lane to six lane divided carriageway from Km 273.500 to Km 363.885 of NH - 8 in the State of Rajasthan

Fiscal Year	Key Events, Milestones and Achievements
2004	Awarded a contract by the Ministry of Public Works, Islamic Republic of Afghanistan for rehabilitation of the Kandahar to Spin Boldak road
2005	Completion of widening and rehabilitation of existing two lane to six lane divided carriageway from Km 273.500 to Km 363.885 of NH - 8 in the State of Rajasthan.
2005	Awarded a contract by the Irrigation and CAD Department, Government of Andhra Pradesh, for engineering, designing, procurement and construction with respect to closing of Kakarla Gap by of the link canal ("**Veligonda Dam Project**")
2006	Completion of widening the existing two lane carriageway of Laxmannath to Kharagpur from Km 53.41 to Km 119.27, NH-60 in the State of West Bengal.
2006	Commencement of construction of irrigations projects.
2008	Name changed to BSCPL Infrastructure Limited.
2008	Commencement of development of railway freight corridor project.
2008	Awarded a contract by CPWD to undertake construction of the Afghan Parliament building and the Indian Chancery buildings at Kabul, Afghanistan
2009	Awarded our first railway freight corridor project by DFCCIL for designing, construction and other related infrastructural works for dedicated freight corridor in the States of Bihar and Uttar Pradesh.
2010	ISO 9001:2008 certificate in relation designing, projects management and execution of major civil engineering projects such as highway projects, air fields and other hi-technology infrastructural projects.
2011	Completion of four laning of Jhansi to Lakhnadon from Km 255 to Km 297, NH-26 in the State of Madhya Pradesh.
2011	Completion of four laning of Ayodhya to Gorakhpur from Km 208 to Km 252.56, NH-28 in the State of Uttar Pradesh.
2011	Completion of four laning of Kurali-Kiratpur section from Km 28.60 to Km73.20 of NH - 21 in the State of Punjab.
2012	Signing of MOU between the Company and Adishankar Power Private Limited for acquiring 100% stake in Lower Simang Power Private Limited.

Main Objects

Our main objects enable us to carry on our current business. The main objects of the Company as contained in our Memorandum of Association are as follows:

1. *To convert the existing partnership firm M/s B. Seenaiah & Company, having Registered Office at 6-2-913/914, 5th Floor, Progressive Towers, Khairatabad, Hyderabad 500 004 on a going concern to a limited company with all the assets and liabilities of that firm with the objects of laying of roads with bitumen and other materials and to design, erect, construct, execute, carry out, equip, improve, alter, develop, decorate, maintain, furnish, administer, manage or control public and private works and convenience of all kinds including roads, bridges, dams, projects, canals, reservoirs, airports, railways, docks, harbors, ropeways, tramways, piers, warehouses, embankments, tanks, aqueducts, marine works, power houses, irrigations, reclamations, sewerage, drainage, sanitary, water works, gas pipelines, wastages, electric lights, telephonic, telegraphic and power supply works, hotels, markets, bazaars, places of amusement, pleasure grounds, parks, gardens, swimming pools, water sewerage and effluent treatment plants, shops, offices, flats, houses, dairies, furnaces, saw mills, crushing works, hydraulic works, tanneries, factories, mills, industrial structures and all other works of conveniences or other public or private utility in India or elsewhere, either solely or in conjunction or in partnership or in joint venture with any person, firms or companies located in or outside India.*

2. *To carry on the business of undertaking of all types of Civil, Electrical, Mechanical, including Fabrication works, and Civil Constructions, Construction of Projects, Dams, Undertaking of supply of works, and civil constructions, construction of projects, dams, undertaking of supply of works, Railway works, Military and other engineering works with State and Central Governments, Corporations, Municipalities, Parishads and with such other local Self-Government bodies or authorities or individuals or bodies and in manufacturing of Engineering and other implements and in such other commodities that may be used in Construction works.*

3. *To construct, execute, undertake, carryout, run, establish, acquire, maintain, remodel, alter, develop, work, control, manage, take on lease, purchase or acquire under any other terms and conditions, any hotels, clubs, tanks, schools, hospitals, restaurants, baths, places of worship, amusement parks, gardens, libraries, reading rooms, orchestra stands, pavilions, pony and rickshaw or other vehicle stands, shops, garages, diary forms or otherwise assist of work in association with any other person in any of the above or other undertaking and to any other act for the purpose of construction, erection, demolition, remove, maintenance, improvement, administration, assessment, development, working, controlling or management thereof.*

4. *To generate, harness, develop, accumulate, distribute and supply Electricity by setting up Power Plants by use of liquid, gaseous or solid fuels or any other fuels including agricultural products/ waste for the purpose of light, motive power and of all other purposes for which electric energy can be employed, to carry on and generate power supply either by hydro, thermal, gas, diesel, oil, any other fuel including natural crude, bunker, seed oil, naptha, furnace oil and any other oils, fuels, materials, necessary for generating power for generating power or through Renewable Energy Sources such as Solar, Photo, Voltaic Wind Mill, Agro Waste, Prosonic fulifflora, Wood waste, Rice husk or by any other means, to transmit, distribute, supply and sell such power either directly or through transmission lines and facilities of Central/State Governments, or private companies or Electrical transmission lines and facilities of Central / State Governments, other consumers of electricity including for captive consumption for any industrial projects promoted by this company or promoter company and generally to develop, generate, accumulate power at any other places and to transmit distribute sell and supply such power, to construct, establish, manage power stations, boiler houses, steam turbines, switch yards, sub-stations, transmission lines, accumulators, workshops and all such works necessary for generating, distributing or supply of electricity to construct, laydown, establish, fix, erect equip and maintain power generating machinery and electricity equipments, cables, computer control equipment, transmission lines, accumulation, fittings and apparatus in the capacity of principals, contractors or otherwise, to carry on the business of consultants and contractors in setting up all types of plants for production of electric energy and also to undertake R & D programmes in the fields of electricity.*

5. *To carry on the business of planning, designing, developing, improving, marketing, distributing, selling, installing, importing, exporting or otherwise deal in system software, application software, ERP, Internet, Net linking, Engineering, surface transport, aviation, Information Technology and total net working systems, mini and micro computer based products, switches, mainframe, telecommunications, peripheral equipment, artificial intelligence speech or signal processing, multimedia, animation, WAP, Bio-informatics, process control distributed computing, data capture, data logging, simulation, remote sensing, photo gram entry, GPS systems, ISP, E-mail service, CAD/CAM/CAE, e-commerce services, technical and professional services relating to computers and software.*

Amendments to Memorandum of Association

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

Date of Shareholders' Approval	Amendment
September 29, 2001	Insertion of the following additional main objects in our Memorandum of Association *"4. To generate, harness, develop, accumulate, distribute and supply Electricity by setting up Power Plants by use of liquid, gaseous or solid fuels or any other fuels including agricultural products/ waste for the purpose of light, motive power and of all other purposes for which electric energy can be employed, to carry on and generate power supply either by hydro, thermal, gas, diesel, oil, any other fuel including natural crude, bunker, seed oil, naptha, furnace oil and any other oils, fuels, materials, necessary for generating power for generating power or through Renewable Energy Sources such as Solar, Photo, Voltaic Wind Mill, Agro Waste, Prosonic fulifflora, Wood waste, Rice husk or by any other means, to transmit, distribute, supply and sell such power either directly or through transmission lines and facilities of Central/State Governments, or private companies or Electrical*

Date of Shareholders' Approval	Amendment
	transmission lines and facilities of Central / State Governments, other consumers of electricity including for captive consumption for any industrial projects promoted by this company or promoter company and generally to develop, generate, accumulate power at any other places and to transmit distribute sell and supply such power, to construct, establish, manage power stations, boiler houses, steam turbines, switch yards, sub-stations, transmission lines, accumulators, workshops and all such works necessary for generating, distributing or supply of electricity to construct, laydown, establish, fix, erect equip and maintain power generating machinery and electricity equipments, cables, computer control equipment, transmission lines, accumulation, fittings and apparatus in the capacity of principals, contractors or otherwise, to carry on the business of consultants and contractors in setting up all types of plants for production of electric energy and also to undertake R & D programmes in the fields of electricity." *"5. To carry on the business of planning, designing, developing, improving, marketing, distributing, selling, installing, importing, exporting or otherwise deal in system software, application software, ERP, Internet, Net linking, Engineering, surface transport, aviation, Information Technology and total net working systems, mini and micro computer based products, switches, mainframe, telecommunications, peripheral equipment, artificial intelligence speech or signal processing, multimedia, animation, WAP, Bio-informatics, process control distributed computing, data capture, data logging, simulation, remote sensing, photo gram entry, GPS systems, ISP, E-mail service, CAD/CAM/CAE, e-commerce services, technical and professional services relating to computers and software."*
May 9, 2005	Insertion of the following additional object in our Memorandum of Association under "Other Objects": "*6. To manufacture, process, draw, refine, melt, buy, sell, exchange, alter, improve, import, export, or otherwise deal in High Speed Steels, Alloy Steels and all other steels, metal powders, steel products including billets, roads, rounds, wires, circles, angles, ingots, sintered products, set up steel furnaces, integrated steel plants, continues casting and rolling mill plants for producing HR. mill steel, Alloy steels, steel ingots, act as steel smelters, steel makers, tube and pipes manufacturers, plate makers, wire drawers, to carry on the business of designing, manufacturing, developing, improving, hiring, buying and selling in forgings and casting of all types of metals and metal products, coking coal and carry on the business of metallurgical engineering, to search, prospect, win, work raise, quarry, smelt, refine, dress, manipulate, convert import or export or otherwise deal in Ferrous and Non Ferrous ores, scrap of every description and grade.*"
February 28, 2006	Increase in the initial authorized share capital from ₹ 120,000,000 comprising of 12,000,000 Equity Shares to ₹ 200,000,000 comprising of 20,000,000 Equity Shares.
December 27, 2007	Change of name of the Company from B. Seenaiah & Company (Projects) Limited to BSCPL Infrastructure Limited.
September 30, 2010	Increase in authorised share capital from ₹ 200,000,000 comprising of 20,000,000 Equity Shares to ₹ 300,000,000 comprising of 30,000,000 Equity Shares.
September 21, 2011	Increase in authorised share capital from ₹ 300,000,000 comprising of 30,000,000 Equity Shares to ₹ 400,000,000 comprising of 40,000,000 Equity Shares.
September 21, 2011	Insertion of the following additional object in our Memorandum of Association under "Objects incidental or ancillary to the attainment of the Main Objects": "*3A (a) To lend and advance money or give credit to;* *(b) To give guarantee or indemnify for the payment of money or the performance of contracts or obligations of;* *(c) To provide security or undertake in any way the repayment of money lent or advanced to, or the liabilities incurred by,* *Any person, Association of Persons, firm or company, subject to the provisions of the*

Date of Shareholders' Approval	Amendment
	Act."

Other Details Regarding our Company

For details regarding the description of our activities, the growth of our Company, exports, technology, the standing of our Company with reference to the prominent competitors with reference to its products, management, major suppliers and customers, segment, capacity/facility creation, market capacity build- up, location of manufacturing facilities, marketing and competition, see section titled "***Our Business***" on page 147.

For details regarding our management and its managerial competence, see section titled "***Our Management***" on page 206.

For details regarding profits due to foreign operations, see section titled "***Our Business***" on page 147.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, if any

Except as disclosed in this section under the sub-heading "***Details of Subsidiaries/Joint Venture Companies***" and the section titled "***Our Business***" on page 147, our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers, amalgamation or revaluation of assets.

Capital raising activities through equity and debt

Except as mention in the section titled "***Capital Structure***" on page 89, our Company has not raised capital through equity. For details on our debt facilities of our Company, see section titled "***Financial Indebtedness***" on page 274.

Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders. Further, none of our loans have been converted into equity.

One of our lenders has indicated a breach of a financial covenant in relation its loan documentation.

Lock outs and strikes

There has been no lock outs or strikes at any time in our Company.

Time and cost overruns

Except as described the section "***Risk Factors***" of this Draft Red Herring Prospectus, there has been no time and cost overruns in the development or construction of any of our projects.

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.

Injunction or restraining order, if any, with possible implications

Our Company is not operating under any injunction or restraining order.

Our Shareholders

Our Company has 19 Shareholders as of the date of this Draft Red Herring Prospectus. For further details regarding our Shareholders, see section titled "***Capital Structure***" on page 89.

Financial and strategic partners

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

Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Summary of Key Agreements

Investment Agreement dated November 10, 2007 ("Investment Agreement")

The Investment Agreement has been entered into between the Company, the Promoters Bollineni Krishnaiah and Bollineni Seenaiah, Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited, Amansa Investments Ltd (formerly known as Amansa Fund LP), New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat (Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited and Amansa Investments Ltd (formerly known as Amansa Fund LP) be collectively referred to as the "**New Investors**"), (New Investors together with New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat, referred to as the "**Investors**"). The Investment Agreement provided for the following:

1. Subscription to 218,150 Equity Shares at a premium of ₹ 1,136 by Infrastructure Development Finance Company Limited;
2. Subscription to 218,150 Equity Shares at a premium of ₹ 1,136 by L&T Infrastructure Finance Company Limited;
3. Subscription to 69,808 Equity Shares at a premium of ₹ 1,136 by L&T Capital Company Limited;
4. Subscription to 366,492 Equity Shares at a premium of ₹ 1,136 by LB India Holdings Mauritius II Limited;
5. Subscription to 218,150 Equity Shares at a premium of ₹ 1,136 by Amansa Investments Ltd (formerly known as Amansa Fund LP); and
6. Transfer of 236,000 Equity Shares at a premium of ₹ 1,136 to L&T Capital Company Limited.

The salient provisions of the Investment Agreement are as follows:

1. In the event of issuance of additional shares or securities convertible into equity shares to any third party investor by way of preferential allotment, the Investors severally will have the first right to subscribe to such number of additional shares or securities convertible into shares at the same valuation as being offered to other investors.
2. New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat have the right to jointly nominate one director on the Board of Directors and the New Investors have the right to jointly nominate one director on the Board of Directors. This right granted to the Investors will survive the termination of the Investment Agreement. However, the right to appoint nominee directors with New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat will cease if their joint shareholding falls below 10% of the issued and paid up capital of the Company. Further, if the joint shareholding of the New Investors falls below 5% of issued and paid up capital of the Company, their right to nominate director will also cease.
3. Specified matters such as modification to capital structure, amendment to the charter documents of the Company, any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of Shareholders of Company, material deviations from the annual business plan as approved by the Board, transactions with Bollineni Seenaiah and Bollineni Krishnaiah for an amount exceeding ₹ 50 million p.a. on cumulative basis etc. can be decided only through a resolution of the board

or shareholders, as the case may be and no resolution or decision can be passed by the Board or the shareholders of the Company with respect to any of the specified matters unless such resolution or decision is approved by a majority of the board of the Company which includes the affirmative vote of the Investor Directors and such resolution is approved in writing by the Investor Directors. The quorum of the Board shall be one third of its total strength including Investor directors and the Chairman or Managing Director.

4. The members of the Promoter Group as identified in the Investment Agreement are restricted from transferring shares of the Company at a price lower than the cost of acquisition of shares of Investors, by the Investors, except with the prior written consent of the Investors, during the term of the Investment Agreement. Further, the Investors are not permitted to transfer the Equity Shares acquired pursuant to the Investment Agreement, to any direct competitor as identified in the Investment Agreement. However, post listing of the Equity Shares the Investors may sell the Equity Shares on the Stock Exchanges.

5. The quorum of the Board shall be one third of its total strength including Investor Directors and Chairman or Managing Director.

6. The listing of Equity Shares of the Company to be completed within 20 months after the closing and the issue price should not be less than the respective cost of acquisition of the Equity Shares by the Investors. However, the right has been waived by the Investors pursuant to the Termination Agreement. For details of the Termination Agreement, see the sub-section titled "***Termination Agreement dated** February 28, 2013*".

7. *Inter alia*, upon agreement in writing by the parties to the Investment Agreement, the Investment Agreement will terminate upon successful completion of the initial public offering by the Company.

The Investment Agreement has superseded the terms and conditions of the investment agreement dated March 26, 2006 entered into between the Company, Bollineni Krishnaiah and Bollineni Seenaiah, New Vernon Private Equity Limited and Tattersalls Limited for subscription to 1,191,489 Equity Shares at a premium of ₹ 695 and for purchase of 936,170 Equity Shares at a premium of ₹ 695 by New Vernon Private Equity Limited and Tattersalls Limited.

Termination Agreement dated February 28, 2013 ("Termination Agreement")

The Investors have entered into the Termination Agreement to amend certain provisions of the Investment Agreement. The salient provisions of the Termination Agreement are as follows:

1. Terms and conditions of a Placement including the aggregated value of Equity Shares to be issued pursuant to the Placement by the Company and the Selling Shareholders respectively and the consideration payable for each Equity Share in the Placement will be jointly agreed by the Company and each of the Selling Shareholders; the fresh issue of Equity Shares by the Company and the sale of existing Equity Shares by the Selling Shareholders in the Placement will be in such proportions as will be agreed between the Company and the Selling Shareholders prior to the Placement.

2. Articles of Association of the Company will be amended such that they would be divided into two parts to conform with the requirements and directions provided by the Stock Exchanges. The first part will conform to the requirements and directions provided by the Stock Exchanges and contain such other provisions as are required by a public limited company and the second part will contain the current Articles of Association of the Company. Further, the second part of the Articles of Association will automatically cease from the date of filing of the Red Herring Prospectus with the RoC;

3. The Investors have agreed to waive the following rights available to them under the Investment Agreement in relation to the Issue:

   (i) right of first offer and right of first refusal in case of preferential allotment;

   (ii) appointment of the book running lead managers;

   (iii) inter alia, rights contained in relation to determination of Issue Price and preference to the Investors over Bollineni Krishnaiah and Bollineni Seenaiah to sell their respective Equity Shares in the Issue;

on and from the date of filing the Red Herring Prospectus with the RoC.

4. The Investment Agreement will terminate upon filing of the Red Herring Prospectus with the RoC. However, the Investors will, inter alia, have the right to jointly nominate two nominee directors even after the termination of the Investment Agreement;

5. Investment Agreement will survive and continue upon the occurrence of the following events:

   (i) during the period from the date of filing of the Draft Red Herring Prospectus till the date of receipt of the final observations of SEBI on the Draft Red Herring Prospectus, the Company and the Investors, in consultation with the BRLMs, withdraw the Draft Red Herring Prospectus ;

   (ii) from the date of the receipt of the final observations from SEBI on the Draft Red Herring Prospectus till before the board meeting of the Company for allotment in the Issue, the Company and the Investors, in consultation with the BRLMs, withdraw the Issue; or

   (iii) termination of the Issue Agreement dated February 28, 2013 entered into for the Issue.

Memorandum of Understanding dated November 13, 2009

Our Company and C&C Constructions have entered into a memorandum of understanding dated November 13, 2009 ("**MOU**") with Al Nab'a Holding LLC to promote a company in Oman to take up works in Oman after participating in tenders or through direct negotiations and take up and complete the same as per the terms of the contract and provide services and assume responsibilities that are related thereto. In terms of the MOU, the initial authorised capital of the proposed joint venture company in Oman was RO 250,000 (₹ 34,962,500) divided into 250,000 equity shares of RO 1 (₹ 189.85) each. As per the terms of the MOU, Al Nab'a Holding LLC had agreed to subscribe to the total amount of RO 250,000 (₹ 34,962,500) which also includes the shares of the Company and C&C Constructions in the joint venture. The equity participation envisaged by the parties in the proposed joint venture company is as follows:

Party	Share
Company	35%
C&C Constructions	35%
Al Nab'a Holding LLC	30%

As on the date of filing of this Draft Red Herring Prospectus, the Company has not made any investment into the said joint venture.

Joint Venture agreements:

Indian Joint Venture Companies

1. **Mokama - Munger Highway Limited**

The shareholders' agreement was executed on December 24, 2010 between our Company, C&C Constructions Limited and Mokama Munger Highway Limited ("**MMHL**"). MMHL is a special purpose vehicle created for the project of two laning with paved shoulders of Mokama-Munger section of NH -80 in the state of Bihar under the NHDP III on DBFOT basis as per the concession agreement dated July 12, 2010 executed between NHAI and MMHL. The shares of MMHL are held in equal proportion by its shareholders. As per the shareholders' agreement, our Company along with its associates and affiliates shall hold upto 50.00% of the shares and C&C along with its associates and affiliates would hold upto 50.00% of the shares in MMHL. As per the concession agreement, our Company and C&C together with their associates shall beneficially hold atleast 51.00% of the issued and paid up capital of MMHL throughout the construction period and 26.00% during the two year period following the project completion date and 26.00% during the balance remaining concession period. Further, no member of consortium shall beneficially hold less than10.00% of the equity during the concession period, with the lead member (our Company) holding not less than 26.00% during the construction period. MMHL and each of the shareholders had provided a covenant to NHAI whereby there would be no change in ownership, except with prior approval of NHAI, including: (a) any transfer whereby the aggregate holding of the existing shareholders together with their associates would decline below 51.00% during the construction period, with the lead member (our Company) holding not less than 26.00% during the concession period; (b) 26.00% during a period of two years following COD; and (c) 26.00% or such lower proportion as may be permitted by NHAI during the remaining concession period.

The existing shareholders shall have pre-emption rights over any fresh issue of shares by MMHL. The shareholders shall not transfer any equity holding held by the shareholder along with its associates till the transfer date as specified in the concession agreement without the prior permission of NHAI. Any transfer or attempt to transfer equity holding in MMHL in contravention to the same shall be null and void. Further the shareholders of MMHL have been provided with a right of first refusal.

As per the shareholders' agreement, the board of directors of MMHL can have a maximum of 12 (twelve) directors. At the time of incorporation, MMHL has four directors, two nominated by the Company and two by C&C Constructions Limited. MMHL shall have certain matters reserved to be decided by the board and where required by the shareholders of MMHL. The matters include *inter alia*:

i. Any increase in the authorized share capital of the company and issue of shares or equity;

ii. Issue new shares or debentures, including bonus shares, right shares or any new class of shares and any increase or decrease in the number of issue shares by the company ;

iii. Any proposal to reorganize the share capital of the company substantially including proposals for merger, amalgamation, winding up of the company or listing of any new class of shares or debentures or any other form of reorganization;

iv. Capital investment by the company, which exceeds ₹. 50.00 million;

v. Creation of any encumbrance including but not limited to any mortgage, pledge, charge or other security interest on any of the assets of the company ;

vi. Recommending payment of dividend or distribution of profits;

vii. Borrowing of funds;

viii. Giving any guarantee, indemnity or security in respect of the obligations of the company; and

ix. Incurring of debt which would cause the aggregate gross debt to equity ratio to exceed two times.

The details of the incorporated joint venture are as follows:

Corporate Information

Mokama - Munger Highway Limited is a company incorporated under the laws of India on June 7, 2010 and received the certificate of commencement of business on June 10, 2010. Mokama - Munger Highway Limited has its registered office at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India.

Mokama - Munger Highway Limited is engaged in the business of designing, engineer, finance, construct, operate and maintain of two laning with Paved Shoulders of Mokama – Munger Section of NH-80 from Km 1.430 to Km 70.000 in the State of Bihar on BOT (annuity) basis under NHDP III.

The board of directors of Mokama - Munger Highway Limited is comprised of Bollineni Krishnaiah, Bollineni Seenaiah, Gurjeet Singh Johar and Amrit Pal Singh Chadha.

Capital Structure

The authorised share capital of Mokama - Munger Highway Limited is ₹ 89,000,000 comprising of 3,600,000 equity shares of ₹ 10 each and 5,300,000 cumulative convertible preference shares of ₹ 10 each. The issued, subscribed and paid up share capital is ₹ 60,576,230 divided into 2,745,123 equity shares of ₹ 10 each and 3,312,500 cumulative convertible preference shares of ₹ 10 each.

Shareholding

The shareholding pattern of Mokama - Munger Highway Limited as of February 22, 2013 is as follows:

Shareholders	No. of		Shareholding (%)	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Company	785,823	1,781,201	28.15	53.77
BSCPL Infra Projects Limited	874,798	868,799	32.34	26.23
Bollineni Seenaiah	1	-	Negligible	-
K.Thanu Pillai	1	-	Negligible	-
C&C Constructions	563,940	-	20.54	-
C&C Projects Limited	520,559	662,500	18.96	20.00
Gurjeet Singh Johar	1	-	Negligible	-
TOTAL	**2,745,123**	**3,312,500**	**100.00**	**100.00**

2. Patna Bakhtiyarpur Tollway Limited

The shareholders' agreement dated September 16, 2011was executed between our Company and C&C Constructions Limited and Patna Bakhtiyarpur Tollway Limited ("**PBTL**"). PBTL is a special purpose vehicle created for the project of four laning of Patna Bakhtiyarpur section of NH-30 in the state of Bihar under NHDP III on DFBOT basis as per the concession agreement dated March 31, 2011. As per the shareholders' agreement, our Company along with its associates and affiliates would hold 50.00% and C&C along with its associates and affiliates would hold 50.00%. As per the terms of the concession agreement, our Company and C&C together with their associates are required to hold a minimum of 51.00% of the issue and paid up capital of PBTL and lead member (our Company) shall hold minimum of 26.00% at all times during the construction period and two years thereafter along with its associates.

As per the concession agreement any change in ownership shall occur only with the prior permission of NHAI, including any transfer whereby the holding of the existing shareholders along with their associates drops below: (a) 51.00% of the issued and paid up capital of PBTL (and no sole member of consortium shall hold below 10.00% of the issued and paid up capital of PBTL, with the lead member (our Company) not holding less than 26.00% during the concession period; (b) below 26.00% during a period of two years following COD; and (c) 26.00% or such lower proportion as may be permitted by NHAI during the remaining concession period. The shareholders of PBTL shall have pre-emption rights for any fresh issue of equity by PBTL. The shareholders shall have right of first refusal for the shares being sold by any selling shareholder of PBTL. As per the shareholders' agreement the board of directors of PBTL shall initially consist of four directors, with two directors nominated by C&C Construction Limited and two directors by the Company. For the matters listed, an affirmative vote of nominee of each shareholder on the board or at the shareholder meeting would be required, *inter alia* for the following matters:

i. Any increase in the authorized share capital of the company and issue of shares or equity;

ii. Issue new shares or debentures, including bonus shares, right shares or any new class of shares and any increase or decrease in the number of issue shares by the company ;

iii. Any proposal to reorganize the share capital of the company substantially including proposals for merger, amalgamation, winding up of the company or listing of any new class of shares or debentures or any other form of reorganization;

iv. Capital investment by the company, which exceeds ₹. 50.00 million;

v. Creation of any encumbrance including but not limited to any mortgage, pledge, charge or other security interest on any of the assets of the company ;

vi. Recommending payment of dividend or distribution of profits;

vii. Borrowing of funds;

viii. Giving any guarantee, indemnity or security in respect of the obligations of the company; and

ix. Incurring of debt which would cause the aggregate gross debt to equity ratio to exceed two times.

The details of the incorporated joint venture are as follows:

Corporate Information

Patna Bakhtiyarpur Tollway Limited is a company incorporated under the laws of India on February 4, 2011 and received the certificate of commencement of business on February 17, 2011. Patna Bakhtiyarpur Tollway Limited hat M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India.

Patna Bakhtiyarpur Tollway Limited is engaged in the business of designing, engineering, finance, procurement, construction, operation and maintenance of four laning of Patna Bakhtiyarpur section of NH 30 from Km 181.300 to Km 231.950 in the State of Bihar on DBFOT toll basis under NHDP III.

The Board of directors of Patna Bakhtiyarpur Tollway Limited is comprised of Bollineni Seenaiah, T. Dayakar, Gurjeet Singh Johar, and Amrit Pal Singh Chadha.

Capital Structure

The authorised share capital of Patna Bakhtiyarpur Tollway Limited is ₹ 40,000,000 divided into 4,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital is ₹ 34,679,340 divided into 3,467,934 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of Patna Bakhtiyarpur Tollway Limited as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding(%)
Company	1,017,467	29.34
BSCPL Infra Projects Limited	939,198	27.08
Bollineni Seenaiah	1	Negligible
T. Dayakar	1	Negligible
C&C Projects Limited	725,407	20.92
C&C Constructions	785,859	22.66
Gurjeet Singh Johar	1	Negligible
TOTAL	**3,467,934**	**100.00**

3. North Bihar Highway Limited

A shareholders' agreement dated February 24, 2011 was executed between our Company and C&C Constructions Limited and North Bihar Highway Limited ("**NBHL**"). NBHL is incorporated as a special purpose vehicle for implementing the design, engineering, finance, procurement, construction, operation and maintenance of two laning of Muzaffarur-Sonbarsa section of NH-77 in the state of Bihar under the NHDP-III on DBFOT basis as per the concession agreement dated September 3, 2010, executed between NBHL and NHAI.

As per the shareholders' agreement, the Company along with its associates and affiliates shall hold upto 50.00% of the shares and C&C along with its associates and affiliates would hold upto 50.00% of the shares in NBHL. As per the concession agreement, BSCPL and C&C together with their associates shall beneficially hold atleast 51.00% of the issued and paid up capital of NBHL throughout the construction period and 26.00% during the two year period following the project completion date and 26.00% during the balance remaining concession period. Further, no member of consortium shall beneficially hold less than10.00% of the equity during the concession period, with the lead member (our Company) holding not less than 26.00% during the construction period. NBHL and each of the shareholders had provided a covenant to NHAI whereby there would be no change in ownership, except with prior approval of NHAI, including: (a) any transfer whereby the aggregate holding of the existing shareholders together with their associates would decline below 51.00% during the construction period, with the lead member (our Company) holding not less than 26.00% during the concession period ; (b) 26.00% during a period of two years following COD; and (c) 26.00% or such lower proportion as may be permitted by NHAI during the remaining concession period.

The existing shareholders shall have pre-emption rights over any fresh issue of shares by NBHL. The shareholders shall not transfer any equity holding held by the shareholder along with its associates till the transfer date as specified in the concession agreement without the prior permission of NHAI. Any transfer or attempt to transfer equity holding in NBHL in contravention to the same shall be null and void. Further the shareholders of NBHL have been provided with a right of first refusal.

The board of directors of NBHL can have a maximum of 12 (twelve) directors and at the time of incorporation, NBHL has four directors, two nominated by our Company and two by C&C Constructions Limited. NBHL shall have certain matters reserved to be decided by the board and where required by the shareholders of NBHL. The matters include *inter alia*:

i. Any increase in the authorized share capital of the company and issue of shares or equity;

ii. Issue new shares or debentures, including bonus shares, right shares or any new class of shares and any increase or decrease in the number of issue shares by the company ;

iii. Any proposal to reorganize the share capital of the company substantially including proposals for merger, amalgamation, winding up of the company or listing of any new class of shares or debentures or any other form of reorganization;

iv. Capital investment by the company, which exceeds ₹. 50.00 million;

v. Creation of any encumbrance including but not limited to any mortgage, pledge, charge or other security interest on any of the assets of the company ;

vi. Recommending payment of dividend or distribution of profits;

vii. Borrowing of funds;

viii. Giving any guarantee, indemnity or security in respect of the obligations of the company;

ix. Ocurring of debt which would cause the aggregate gross debt to equity ratio to exceed two times.

The details of the incorporated joint venture are as follows:

Corporate Information

North Bihar Highway Limited is a company incorporated under the laws of India on July 27, 2010 and received the certificate of commencement of business on August 2, 2010. North Bihar Highway Limited has its registered office at Plot No. 70, Sector 32, Gurgaon, 122 001.

North Bihar Highway Limited is engaged in the business of designing, engineering, finance, procurement, construction, operation and maintenance of two laning of Muzaffarpur - Sonbarsa Section of NH-77 from km 2.8 to Km 89.00 in the State of Bihar under NHDP III on DBFOT annuity basis.

The Board of directors of North Bihar Highway Limited is comprised of Bollineni Seenaiah, T. Dayakar, Gurjeet Singh Johar, and Amrit Pal Singh Chadha.

Capital Structure

The authorised share capital of North Bihar Highway Limited is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital is ₹ 42,826,000 divided into 4,282,600 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of North Bihar Highway Limited as of February 22, 2013:

Shareholders	No. of shares	Shareholding (%)
Company	652,050	15.23
BSCPL Infra Projects Limited	1,008,049	23.54
Bollineni Seenaiah	1	Negligible
C&C Constructions	1,363,700	31.84
C&C Projects Limited	1,258,798	29.39
Gurjeet Singh Johar	1	Negligible
Amrit Pal Singh Johar	1	Negligible
TOTAL	**4,282,600**	**100**

4. Simhapuri Expressway Limited

The shareholders' agreement was executed on December 10, 2010 between KMC Constructions and our Company and Simhapuri Expressway Limited ("**SEL**"). SEL is a special purpose vehicle created for the project of six laning of Chilkaluripet-Nellore section of NH-5 under NHDP Phase V to be executed as BOT project on DFBOT pattern as per concession agreement dated July 15, 2010 executed between SEL and NHAI. As on the date of the shareholders agreement, our Company along with its associates and affiliates would hold 49.00% and KMC Constructions along with its associates and affiliates would hold 51.00%. As per the terms of the concession agreement, the consortium members are required to hold a minimum of 51.00% of the issue and paid up capital of SEL and the consortium member whose technical and financial capacity was evaluated for the purpose of pre-qualification shall hold minimum of 26.00% at all times during the construction period and two years thereafter along with its associates.

As per the concession agreement any change in ownership shall occur only with the prior permission of NHAI, including any transfer whereby the holding of the existing shareholders along with their associates drops below: (a) 51.00% of the issued and paid up capital of SEL (and no sole member of consortium shall hold below 10.00% of the issued and paid up capital of SEL, with the lead member (our Company) not holding less than 26.00% during the concession period; (b) below 26.00% during a period of two years following COD; and (c) 26.00% or such lower proportion as may be permitted by NHAI during the remaining concession period. The shareholders of SEL shall have pre-emption rights for any fresh issue of equity by SEL. The shareholders shall have right of first refusal for the shares being sold by any selling shareholder of SEL. As per the shareholders' agreement the board of directors of SEL initially consisted of five directors, with three directors nominated by KMC and two directors by the Company. Till such time a shareholder holds less than 49.00% but higher than 26.00% of the issued and paid up capital of SEL, it shall have the right to appoint a director on the board. Till such time a shareholder hols 26.00% of the issued and paid-up capital of SEL, an affirmative vote of its nominee on the board or at the shareholder meeting would be required, *inter alia* for the following matters:

i. Any increase in the authorized share capital of the company and issue of shares or equity;

ii. Issue new shares or debentures, including bonus shares, right shares or any new class of shares and any increase or decrease in the number of issue shares by the company ;

iii. Any proposal to reorganize the share capital of the company substantially including proposals for merger, amalgamation, winding up of the company or listing of any new class of shares or debentures or any other form of reorganization;

iv. Capital investment by the company, which exceeds ₹. 50.00 million;

v. Creation of any encumbrance including but not limited to any mortgage, pledge, charge or other security interest on any of the assets of the company ;

vi. Recommending payment of dividend or distribution of profits;

vii. Borrowing of funds;

viii. Giving any guarantee, indemnity or security in respect of the obligations of the company;

ix. Incurring of debt which would cause the aggregate gross debt to equity ratio to exceed two times.

The details of the incorporated joint venture are as follows:

Corporate Information

Simhapuri Expressway Limited is a company incorporated under the laws of India on June 4, 2010 and received the certificate of commencement of business on June 11, 2010. Simhapuri Expressway Limited has its registered office atDoor No. 1-80/40/SP/58-65, Shilpa Homes Layout, Gachibowli, Hyderabad, 500 032.

Simhapuri Expressway Limited is engaged in the business of six laning of Chilakaluripeta – Nellore Section of NH – 5 Km 1182.802 to 1366.547 (length – 183.620 km) in the State of Andhra Pradesh under NHDP Phase – V to be executed as BOT toll project on DBFOT pattern.

As on the date of this Draft Red Herring Prospectus, the Board of directors of Simhapuri Expressway Limited is comprised of Bollineni Seenaiah, Thanu Pillai, Deepak Mittal, Shrikant Jaywant Bahdkar and Vikram Reddy Mekapati.

Capital Structure

The authorised share capital of Simhapuri Expressway Limited is ₹ 77,975,000 divided into 7,797,500 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital is ₹ 77,225,000 divided into 7,722,500 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of Simhapuri Expressway Limited as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
Company	1	Negligible
BSCPL Infra Projects Limited	3,784,023	51
Bollineni Seenaiah	1	Negligible
KMC Infrastructure Limited	3,938,472	49
Goutham Reddy	1	Negligible
Vikram Reddy	1	Negligible
Pridhvi Kumar Reddy	1	Negligible
TOTAL	**7,722,500**	**100**

Nepal Joint Venture

5. ***BSC C&C (JV) Nepal Private Limited***

Corporate Information

BSC C&C (JV) Nepal Private Limited ("**BNPL**") has been duly incorporated, validly exists under the laws of Nepal, having its registered office at Dharmapath, ward no- 23, Kathmandu, Nepal. BNPL is in the business of manufacturing of stone aggregate/stone dust.

Capital Structure:

BNPL has an authorized and issued capital of 1,600,000 equity shares of Nepalese Rupee 100 (₹ 62.00) each.

Shareholding pattern:

Party	*Share*	*Number of shares*
The Company	*50%*	*800,000*
C&C Constructions Limited	*50%*	*800,000*

Currently A.P.S Chadha and T. Dayakar are directors of BNPL.

Unincorporated joint ventures

We have entered into joint venture arrangements with certain construction companies such as C&C Constructions, SCL and CR18G for the purposes of bidding and/or execute projects relating to our construction business as well as our development business. In relation to our Order Book projects, some of the joint venture agreements entered into by our Company are provided below:

Joint venture with C&C Constructions Limited ("C&C Constructions")

1. Joint venture agreement dated June 12, 2008 entered into between our Company and C&C Constructions in relation to the construction of Afghan parliament and Indian chancery building at Kabul, Afghanistan. The respective share in the equity and the share in the profit and loss in the joint venture is as follows:

Party	Share
Company*	50% of the project value
C&C Constructions	50% of the project value

**Partner-in-charge/lead partner of the joint venture for the project. The partner in charge is authorised to incur liabilities and receive instructions for and on behalf of all the partners in the JV. The partner-in-charge is also authorised to execute the entire contract.*

2. Memorandum of understanding dated August 6, 2008 entered into between the Company and C&C Constructions in relation to the design and construction of formation including blanketing, major bridges, minor bridges, rubs, robs, supply and spreading of ballast and other related infrastructural works for dedicated freight corridor from Chainage 14.11 Km (near New Karwandiya) to Chainage 119.44 Km (near New Ganj Khawaja) on Mughalsarai-Sone Nagar Section of Eastern Corridor in the states of Bihar and Uttar Pradesh in India. The respective share in the equity and its share in the profit and loss in the joint venture is as follows:

Party	Share
Company*	50% of the project value
C&C Constructions	50% of the project value

**Lead member of the joint venture for the project.The lead partner shall furnish bid bond and all other bonds/guarantees to the client on behalf of the joint venture which shall be legall binding on all the partners of the joint venture.*

3. Joint venture agreement dated June 14, 2010 entered into between the Company and C&C Constructions in relation to two laning of Nongstoin - Shillong section of NH 44, Nongstoin - Rongjeng - Tura road in the State of Meghalaya under Phase 'A' of SARDP-NE under Phase 'A' of SARDP-NE. The respective share in the equity and its share in the profit and loss in the joint venture is as follows:

Party	Share
Company*	50% of the project value
C&C Constructions	50% of the project value

**Partner-in-charge/lead partner of the joint venture for the project. In terms of the agreement, the parties are jointly and severally liable to the client.*

4. Joint venture agreement dated September 3, 2010 entered into between the Company and C&C

Constructions in relation to the pile foundation packages – P1 (31 LOC) for ±800 kV HVD/C Bipole-Biswanath Chariyali T/L-I & II associated with North East - Northern / Western Interconnector-I Project. The respective share in the equity and its share in the profit and loss in the joint venture is as follows:

Party	Share
Company *	50% of the project value
C&C Constructions	50% of the project value

**Lead partner of the joint venture for the project. In terms of the agreement, in case of breach of contract for construction by either partner, the other partner would be responsible for performance of the contract.*

5. Joint venture agreement dated October 20, 2010 entered into between the Company and C&C Constructions in relation to the pile foundation packages – P1 (18 LOC) and P2 (31LOC) for river crossings locations of 400 kV DC, Biswanath Chariyali - Agra Transmission Line associated with North East - Northern / Western Interconnector - I Project. The respective share in the equity and its share in the profit and loss in the joint venture is as follows:

Party	Share
Company*	50% of the project value
C&C Constructions	50% of the project value

**Lead partner of the joint venture for the project. In terms of the agreement, in case of breach of contract for construction by either partner, the other partner would be responsible for performance of the contract.*

6. Memorandum of understanding dated July 9, 2012 entered into between the Company and C&C Constructions Limited in relation to construction of road over bridge both railways span and adjacent approaches span including reinforced earth wall/ retaining wall between section Phulwarisharif Danapur section on Patna Mughalsarai route in Danapur division of east coast railway, Bihar. The share in the profit and loss in the joint venture is as follows:

Party	Share
Company *	50%
C&C	50%

**Lead partner of the joint venture for the projects. In terms of the agreement, the Company is responsible for performance of the project. The partner-in-charge is authorized to incur liabilities and receive instructions on behalf of all the partners of the joint venture agreement and the entire execution of the contract.*

7. The Company has also entered into a master joint venture agreement dated September 17, 2010 with and C&C Constructions. The master joint venture agreement provides for the formation of a joint venture/ consortium in the name of 'BSCPL C&C JV' for the purposes of execution of road projects, currently being taken up and to be taken up in future, by the joint venture. In terms of the agreement, contracts for execution of projects may be entered into directly by the joint venture or through an incorporated or unincorporated joint venture, subject to the condition that the joint venture would undertake work in equal proportion between the Company and 50% for C&C Constructions. Further, the business and affairs of the joint venture are to be governed by a committee, comprising of three members nominated by the Company, and three members nominated by C&C Constructions. The committee is also to evaluate the need of working capital and cash flow requirements to be fulfilled by the joint venture partners. The head office of the joint venture is to be located at the offices of C&C Constructions, Plot No.70, Sector-32, Gurgaon, Haryana, India until such time a separate office is taken up by the joint venture/consortium.

Joint venture with SCL Infratech Limited

8. Joint venture agreement dated March 24, 2005 entered into between the Company and SCL Infratech Limited in relation to closing of Kakarla Gap by constructing a N.O.F. Dam excavation of link canal and

part of eastern canal together with distributory system including construction of CM & CD Works to create an irrigation potential of 45,000 acres of Veligonda Dam Project in Prakasam District. The share in the profit and loss in the joint venture is as follows:

Party	Share
Company	35%
SCL*	65%

**Lead partner of the joint venture for the project. In terms of the agreement, the lead is authorised to incur liabilities and to receive instructions for and on behalf of the partners of the joint venture and the entire execution of the project will be through the lead partner.*

Joint venture with China Railway 18th Bureau (Group) Co. Limited ("CR18G")

9. Memorandum of understanding dated November 25, 2004 entered into between the Company and CR18G in relation to irrigations projects on turnkey basis. The share in the profit and loss in the joint venture is as follows:

Party	Share
Company	50%
CR18G*	50%

**Lead partner of the joint venture for the projects. In terms of the agreement, the Company is responsible for civil and mechanical works in relation to the project.*

Details of our Subsidiaries

Subsidiaries

BSCPL Infra Projects Limited

Corporate Information

BSCPL Infra Projects Limited is a company incorporated under the laws of India on December 26, 2006 as BSCPL Infrastructure Limited. Subsequently, the name was changed to BSCPL Infra Projects Limited and a fresh certificate of incorporation dated June 4, 2008 was issued by the RoC. BSCPL Infra Projects Limited commenced business on April 3, 2007. It has its registered office at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India.

As per the memorandum of association of BSCPL Infra Projects Limited, they are engaged in the business of designing, constructing, executing, developing, altering, administering, managing or controlling public and private works and convenience of all kinds including roads, bridges, dams, canals, airports etc. and promoting special purpose vehicles which undertake and execute construction, development and maintenance of infrastructure projects.

The Board of directors of BSCPL Infra Projects Limited is comprised of Bollineni Krishnaiah, Bollineni Seenaiah, K.Thanu Pillai, T. Dayakar, U.Jayakodi and P. Murali Krishna.

Capital Structure

The authorised share capital of BSCPL Infra Projects Limited is ₹ 400,000,000 divided into 30,000,000 equity shares of ₹ 10 each and 1,000,000 preference shares of ₹ 100 each. The issued, subscribed and paid up equity share capital is ₹ 330,512,640 divided into 23,051,264 equity shares of ₹ 10 each and 1,000,000 preference shares of ₹ 100 each.

Shareholding

The shareholding pattern of BSCPL Infra Projects Limited as of February 22, 2013 is as follows:

Shareholders	No. of		Shareholding (%)	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Company	23,051,258	1,000,000	100	100
Bollineni Krishnaiah	1	-	Negligible	-
Bollineni Seenaiah	1	-	Negligible	-
K. Thanu Pillai	1	-	Negligible	-
U. Jayakodi	1	-	Negligible	-
T. Dayakar	1	-	Negligible	-
Bollineni Sujatha	1	-	Negligible	-
TOTAL	**23,051,264**	**1,000,000**	**100**	**100**

BSCPL Godhra Tollways Limited

Corporate Information

BSCPL Godhra Tollways Limited is a company incorporated under the laws of India on January 21, 2010 and received the certificate of commencement of business on February 5, 2010. BSCPL Godhra Tollways Limited has its registered office at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India.

BSCPL Godhra Tollways Limited is engaged in the business of designing, engineering, financing, construction, operation and maintenance of four laning of Godhra to Gujarat/Madhya Pradesh border section of NH-59 from Km 129.300 to Km 215.900 in the State of Gujarat on DBFOT basis under NHDP III.

The Board of directors of BSCPL Godhra Tollways Limited is comprised of Bollineni Seenaiah, U. Jayakodi and T. Dayakar.

Capital Structure

The authorised share capital of BSCPL Godhra Tollways Limited is ₹ 40,000,000 divided into 4,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital is ₹ 17,852,860 divided into 1,785,286 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of BSCPL Godhra Tollways Limited as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
BSCPL Infra Projects Limited	1,785,280	100
Company	1	Negligible
Bollineni Krishnaiah	1	Negligible
Bollineni Seenaiah	1	Negligible
K.Thanu Pillai	1	Negligible
U. Jayakodi	1	Negligible
T. Dayakar	1	Negligible
TOTAL	**1,785,286**	**100**

BSCPL Aurang Tollway Limited

Corporate Information

BSCPL Aurang Tollway Limited is a company incorporated under the laws of India on September 27, 2011 and received the certificate of commencement of business on October 13, 2011. It has its registered office at M. No. 8-2-502/1/A, JIVI Towers, Road No. 7, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India.

BSCPL Aurang Tollway Limited is engaged in the business of designing, engineering, financing, construction, operation and maintenance of four laning of Orissa/Chhattisgarh Border-Aurang section from Km 88/000 to Km 239/000 of NH-6 in the State of Chhattisgarh to be executed as BOT (Toll) on DBFOT pattern under NHDP Phase-IV.

The Board of directors of BSCPL Aurang Tollway Limited is comprised of Bollineni Krishnaiah, Bollineni Seenaiah and T. Dayakar.

Capital Structure

The authorised share capital of BSCPL Aurang Tollway Limited is ₹ 20,000,000 divided into 200,000 equity shares of ₹ 10 each. The subscribed equity share capital is ₹ 5,000,000 divided into 5,00,000 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of BSCPL Aurang Tollway Limited as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
Company	254,997	51
BSCPL Infra Projects Limited	244,998	49
Bollineni Krishnaiah	1	Negligible
Bollineni Seenaiah	1	Negligible
K. Thanu Pillai	1	Negligible
U. Jayakodi	1	Negligible
T. Dayakar	1	Negligible
TOTAL	**500,000**	**100**

BSC – C & C Kurali Toll Road Limited

Corporate Information

BSC – C and C Kurali Toll Road Limited is a company incorporated under the laws of India on February 2, 2007 and received the certificate of commencement of business on February 5, 2007. BSC – C&C Kurali Toll Road Limited has its registered office at Plot No.70, Sector 32Gurgaon 122 001.

BSC – C and C Kurali Toll Road Limited is engaged in the business of designing, engineering, financing, constructing, operating and maintaining of Kurali- Kiratpur section from Km 28.600 to Km 73.200 of NH-21 under NHDP phase IIIA on BOT basis.

The Board of directors of BSC – C and C Kurali Toll Road Limited is comprised of Bollineni Krishnaiah, Bollineni Seenaiah, U. Jayakodi, Gurjeet Singh Johar, C.S. Sethi and Sanjay Gupta.

Capital Structure

The authorised share capital of BSC- C and C Kurali Toll Road Limited is ₹ 1,041,800,000 divided into 104,180,000 equity shares of ₹ 10 each. The issued, subscribed and paid up equity share capital is ₹ 1,041,800,000 divided into 104,180,000 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of BSC – C and C Kurali Toll Road Limited as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
Company	100	Negligible
BSCPL Infra Projects Limited	53,131,697	51.00
Bollineni Krishnaiah	1	Negligible
Bollineni Seenaiah	1	Negligible

Shareholders	No. of shares	Shareholding (%)
T. Dayakar	1	Negligible
C&C Projects Limited	51,048,198	49.00
Charanbeer Singh Sethi	1	Negligible
Gurjeet Singh Johar	1	Negligible
TOTAL	**104,180,000**	**100**

Foreign Subsidiaries

BSCPL International FZE

BSCPL International FZE is free zone establishment with limited liability and was registered with the Hamriyah Free Zone Authority, Sharjhah, UAE on November 8, 2005. BSCPL International FZE has its registered office at P.O. Box 42677, Hamriyah Free Zone, Sharjah, UAE. The corporate office and the principal place of business of this entity is at building number 22G, office number 11, Hamriyah Free Zone, Sharjah, UAE.

BSCPL International FZE is primarily engaged in the business of providing management consultancy for the development of township, construction of residential commercial building, roads, and bridges.

The Board of directors of BSCPL International FZE is comprised of Bollineni Krishnaiah and Bollineni Seenaiah.

Capital Structure

The authorised, issued and paid up share capital of BSCPL International FZE is AED 150,000 (₹ 2,205,000) divided into 1 share of AED 150,000 (₹ 2,205,000).

Shareholding

The shareholding pattern of BSCPL International FZE as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
BSCPL Infrastructure Limited	1	100
TOTAL	**1**	**100**

Green Desert Ventures Limited

Green Desert Ventures Limited is a company incorporated under the laws of the UAE. Green Desert Ventures Limited has its registered office at P.O. Box 17398, Dubai, UAE. The corporate office and the principal place of business of this entity is at N. R. Doshi and Co., LOB 16-115, Jebel Ali Free Zone, Dubai, UAE.

Green Desert Ventures Limited has got a temporary real estate license valid upto November 3, 2013 for the construction of Arena Apartments Project in Dubai Sports City.

The Board of directors of Green Desert Ventures Limited is comprised of Man Mohan Varma and Mohammad Rahmatullah.

Capital Structure

The authorised, issued and paid up share capital of Green Desert Ventures Limited is AED 100,000 (₹ 1,470,000) divided into 100 shares of AED 1,000 (₹ 14,700) each.

Shareholding

The shareholding pattern of Green Desert Ventures Limited as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
BSCPL International FZE	70	70

Shareholders	No. of shares	Shareholding (%)
Mohammad Rahmatullah	30	30
TOTAL	**100**	**100**

Green Desert Ventures Inc.

Green Desert Ventures Inc. is a company incorporated under the laws of Bahamas. Green Desert Ventures Inc. has its registered office at Ansbacher House, 2nd Floor, East & Shirley Streets, North, P.O. Box N – 9934, City of Nassau, Island of New Providence, Bahamas.

Green Desert Ventures Inc. shall have the capacity to engage in any act or activity, business or otherwise which is not prohibited under International Business Companies Act, 2000 or any other law in force in Bahamas.

The Board of directors of Green Desert Ventures Inc. is comprised of Mohammed Rahamatulla and Man Mohan Varma.

Capital Structure

The authorised, issued and paid up share capital of Green Desert Ventures Inc. is USD 50,000 (₹ 2,703, 000) divided into 50,000 shares of USD 1 (₹ 54.06) each.

Shareholding

The shareholding pattern of Green Desert Ventures Inc. as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
BSCPL International FZE	35,000	70
Mohammad Rahmatullah	15,000	30
TOTAL	**50,000**	**100**

Progressive International Holdings Inc.

Progressive International Holdings Inc. is a company incorporated under the laws of British Virgin Islands and has its registered office at at P.O. Box 146, Road Town, Tortola, British Virgin Islands.

Progressive International Holdings Inc. has the corporate power and capacity to own and lease its assets and to conduct its business.

The board of directors of Progressive International Holdings Inc.is comprised of Mohammed Rahmatullah and Man Mohan Varma.

Capital Structure

The authorised share capital of Green Desert Ventures Inc. is USD 50,000 (₹ 2,703,000) divided into 50,000 shares of USD 1 (₹ 54.06) each.

Shareholding

The shareholding pattern of Green Desert Ventures Inc. as of February 22, 2013 is as follows:

Shareholders	No. of shares	Shareholding (%)
BSCPL International FZE	35,000	70
Mohammad Rahmatullah	15,000	30
TOTAL	**50,000**	**100**

Accumulated Profits or Losses

Except as stated in this section, there are no accumulated losses of any of our Subsidiaries that are not accounted for by the Company in the consolidated Financial Statements.

Subsidiary - Striking Off

Our subsidiary, BSCPL Realty Limited has been struck off the register by RoC under Section 560 (5) of the Companies Act on February 5, 2011. Additionally, B. Seenaiah & Company (Projects) Nepal (Private) Limited has been wound up pursuant to order No. 069/70 No.002 of the Registrar of Companies, Kathmandu, Nepal under section 136 Companies Act 2063 (B.S) of Nepal.

Partnership Firms

The Company is not a partner in any partnership firm.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, the Company is required to have not less than three Directors and not more than twelve Directors. The Company currently has seven Directors on its Board.

The details of our Directors as of the date of this Draft Red Herring Prospectus are as follows:

Name, Designation, Father's Name, Address, DIN, Occupation and Term	Nationality	Age	Other Directorships
Name: Bollineni Krishnaiah *Designation:* Chairman *S/o* B. Ramanaiah Naidu *Address:* D.No. 8-2-546/2 Road No.7 Banjara Hills Hyderabad, 500 034 *DIN*: 00025094 *Occupation*: Business *Term:* For a period of five years effective from April 1, 2009 until March 31, 2014.	Indian	69	(1) Aishu Castings Limited; (2) Amar Bio Tech Limited; (3) BSCPL Aurang Tollway Limited; (4) BDL BeeKay Avenues Private Limited; (5) Bollineni Developers Limited; (6) BSCPL Infra Projects Limited; (7) BSC – C and C Kurali Toll Road Limited; (8) Chebrolu Hanumaiah and Brothers Private Limited; (9) Krishna Institute of Medical Sciences Limited; (10) Krishnaiah Projects Private Limited; (11) Mokama-Munger Highway Limited; (12) Reliance Medicare Limited; (13) Sri BDL Properties Private Limited; (14) Sri BDL Real Estates Private Limited; (15) Sri BK and BS Realtors Private Limited; (16) Sujatha Arcades Private Limited; and
Name: Bollineni Seenaiah *Designation:* Managing Director *S/o* B. Ramanaiah Naidu *Address:* Plot No. 663-94 (Part), Road No.33 Jubliee Hills Hyderabad, 500 033 *DIN*: 00496623 *Occupation*: Business *Term:* For period of three years from May 1, 2011 until April 30, 2014	Indian	61	(1) Aishu Castings Limited; (2) Aishu Realtors Private Limited; (3) BDL Projects Private Limited; (4) BSC – C and C Kurali Toll Road Limited; (5) BSCPL Aurang Tollway Limited; (6) BSCPL Godhra Tollways Limited; (7) BSCPL Infra Projects Limited; (8) Chebrolu Hanumaiah and Brothers Private Limited; (9) Mokama Munger Highway Limited; (10) North Bihar Highway Limited; (11) Patna Bakkhtiyarpur Tollway Limited; (12) Simhapuri Expressway Limited; (13) Sri BDL Dhatri Developers Private Limited; (14) Sri BDL Dreamlands Private Limited;
Name: N. Sivaraman(1) *Designation:* Nominee Director *S/o* Venkatraman Narayanaswamy *Address:* Flat No. 43, Kalpataru Residency, Tower A, Near Cine Planet, Sion (East), Mumbai, 440 022 *DIN*: 00001747 *Occupation*: Professional *Term:* Not liable to retire by rotation	Indian	54	(1) L&T Finance Limited; (2) L&T Finance Holdings Limited; (3) L&T Fincorp Limited; (4) L&T General Insurance Company Limited; (5) L&T Housing Finance Limited; (6) L&T Infra Investment Partners Advisory Private Limited; (7) L&T Infrastructure Finance Company Limited; (8) L&T Trustee Company Private Limited; (9) L&T Unnati Finance Limited; and

Name, Designation, Father's Name, Address, DIN, Occupation and Term	Nationality	Age	Other Directorships
			(10) NAC Infrastructure Equipment Limited. (11) Family Credit Limited
Name: Amitabha Guha *Designation:* Independent Director *S/o* Nirad Ranjan Guha *Address:* DL 182, First Floor, Salt Lake, Sector – 2, Kolkata, 700 091 *DIN*: 02836707 *Occupation*: Service (Retired) *Term:* Liable to retire by rotation	Indian	64	(1) The South Indian Bank Limited; (2) Xpro India Limited; (3) Vijaysri Organics Limited; (4) Gangavaram Port Limited; and
Name: Ashoke Joshi *Designation:* Independent Director *S/o* Vijay Kumar Joshi *Address:* 3A, Amber Ville, 13 Spur Tank Road, Chennai, 600 031 *DIN*: 01531318 *Occupation*: Service (Retired) *Term:* Liable to retire by rotation	Indian	69	Asmitha Microfin Limited
Name: B. Kameswara Rao *Designation:* Independent Director *S/o* Bhgawathi Gourinadam *Address:* 1-1-380/38, Ashoknagar Extension, Ashoknagar, Hyderabad 500 020. *DIN*: 01471253 *Occupation*: Business *Term:* Liable to retire by rotation	Indian	81	(1) Krishna Institute of Medical Sciences Limited; and
Name: P. Murali Krishna *Designation:* Independent Director *S/o* P. Brahmaiah *Address:* Plot No. 69, Shiv Bagh Ameerpet, Hyderabad, 500 016 *DIN*: 00852349 *Occupation*: Professional *Term:* Liable to retire by rotation.	Indian	61	(1) Inter Asia Consultants Private limited; (2) Lakshmi Real Estate Private Limited; (3) ML Infomap Private Limited; (4) Profarm Corporation Sciences Private Limited (5) Quest Fin-Sec Markets Limited; (6) Shai-La Investment and Financial Consultants Private Limited; (7) Shai-La Securities Private Limited; (8) Ultra Reach Agrimarket Limited; (9) Ultra Reach Finance.co Limited; (10) Ultra Seedtech (India) Private Limited; and (11) BSCPL Infra Projects Limited. (12) Victorymarvel Seeds India Private Limited

(1) Nominee of the New Investors

No proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprise any of the Directors of the Company.

Details of current and past directorships

None of our Directors are currently or have been, in the past five years, on the board of directors of a public listed company whose shares have been or were suspended from being traded on the NSE or BSE.

Further, none of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from being traded on any stock exchange.

Relationship between our Directors

Except Bollineni Krishnaiah and Bollineni Seenaiah, who are brothers none of our Directors are related to each other.

Brief Biographies of our Directors

1. Bollineni Krishnaiah

Bollineni Krishnaiah is the Chairman and an executive Director of our Company. He is one of our Promoters and has been a Director of our Company since May 18, 2005. He was re-appointed on the Board of the Company on September 29, 2009 for a term of five years with effect from April 1, 2009. He holds a master's degree in hydraulics engineering from Osmania University, Hyderabad. He has experience in construction and related fields. He served a term of five years from 1999 - 2003 as member of the State legislative assembly from Atmakur in Nellore district, Andhra Pradesh. He supervises the overall management of the Company and is also involved in the business strategy, planning and development of the Company.

2. Bollineni Seenaiah

Bollineni Seenaiah is the Managing Director of our Company. He is one of our Promoters and has been a Director of our Company since May, 1998. He was re-appointed on the Board of the Company on March 28, 2011 for a term of three years with effect from May 1, 2011. He is post graduacte in Agricultural Science. He has over 31 years of experience in construction and related fields. He supervises the overall management of the Company and is involved in the formulation and implementation of the Company's project strategy.

3. N. Sivaraman

N. Sivaraman is a non-executive nominee Director of our Company. He has been a Director of our Company since December 24, 2007. He has a bachelor's degree in commerce from Madras University. He is a Chartered Accountant by profession and is a fellow member of the Institute of Chartered Accountants of India. He is President and Whole-time Director of L&T Finance Holdings Ltd. He has an overall experience of approximately 28 years with L&T. He has varied experience in aspects of finance and accounts, mergers and acquisition and investor relations. He is responsible for and oversees the following entities – L&T Finance Limited, L&T Infrastructure Finance Company Limited, L&T Investment Management Limited and L&T General Insurance Company Limited.

4. Amitabha Guha

Amitabha Guha is an Independent Director of our Company. He has been a Director of our Company since September 16, 2011. He holds a master's degree in botany from University of Calcutta. He is currently the non-executive chairman of The South Indian Bank Limited. He was previously associated with State Bank of India as Deputy Managing Director (Inspection & Management Audit) and retired from State Bank of India on November 30, 2008.

5. Ashoke Joshi

Ashoke Joshi is an Independent Director of our Company. He has been a Director of our Company since September 16, 2011. He was a member of the Indian armed forces and retired as captain in 1969. He is currently heading Srinivasan Services Trust, the social arm of TVS Motor Company. He retired from the Indian Administrative Services in the year 2003, as secretary to Government of India, Department of Road Transport and Highways. He has over 40 years of experience in Indian Administrative Services

6. **B. Kameswara Rao**

B. Kameswara Rao is an independent Director of our Company. He has been a Director of our Company since September 16, 2011. He holds a bachelor's degree in arts from Andhra University. He is currently a Director of Krishna Institute of Medical Sciences Limited.

7. **P. Murali Krishna**

P. Murali Krishna is an independent Director of our Company. He has been a Director of our Company since September 16, 2011. He holds a bachelor's degree in law. He is member of ICAI and is an associate of the Institute of Company Secretaries of India. He is a practicing as an advocate in the High Court of Andhra Pradesh.

Terms of Appointment of our Executive Directors

The details of the remuneration paid to our Executive Directors during the last fiscal are as follows:

Bollineni Krishnaiah

Bollineni Krishnaiah was reappointed from April 1, 2009 pursuant to board resolution dated September 29, 2009, for a term of five years. The significant terms of his remuneration and employment include the following:

Particulars	Remuneration
Salary	₹ 2.5 million per month
Perquisites	Other benefits, including, insurance, car, telephone, travel, medical, club fees and other employee benefits as per the Company's policy

Bollineni Seenaiah

Bollineni Seenaiah was appointed as Managing Director from May 1, 2011 for a period of three years, pursuant to board resolution dated March 28, 2011. The significant terms of his remuneration include the following:

Particulars	Remuneration
Salary	₹ 1.5 million per month
Perquisites	Other benefits, including, insurance, car, telephone, travel, medical and other employee benefits as per the Company's policy

Payment or Benefit to Directors/Officers of the Company

The remuneration paid to our Directors for Fiscal 2012 is as follows:

1. **Remuneration to Executive Directors**

Sl. No.	Name of the Director	Rupees
1.	Bollineni Krishnaiah	₹ 18 million
2.	Bollineni Seenaiah	₹ 12 million

2. **Remuneration to Non- Executive Directors**

A sum not exceeding 1% per annum of the net profits of the Company in a financial year is payable to our Directors, other than whole time Directors as per the discretion or our board of directors. Further, our Company also pays sitting fees of ₹ 20,000 per meeting of the Board and/or Committees to our independent Directors.

Except as stated in this Draft Red Herring Prospectus, no amount or benefit has been paid within the preceding two years or is intended to be paid or given to any of the Company's employees including the Directors and Key Managerial Personnel and other management personnel, other than in the ordinary course of their employment. Except as disclosed in the Draft Red Herring Prospectus, none of the beneficiaries of loans, advances and sundry debtors are related to our Directors. Further, except statutory benefits upon termination of their employment in the Company or retirement, no officer of the Company, including our Directors, our Key Managerial Personnel and other management personnel, are entitled to any benefits upon termination of employment.

Details of Borrowing Powers of Our Directors

The Articles of Association, subject to the provisions of Section 293(1) (d) of the Companies Act authorize our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders of the Company, through a resolution passed at its EGM held on February 28, 2006, authorised our Board to borrow monies together with monies already borrowed by us, in excess of the aggregate of the paid-up capital of the Company and its free reserves, not exceeding ₹ 50,000 million at any time.

Shareholding of our Directors

The details of the shareholding of our Directors in the Company are as under:

Name of the Directors	Number of Equity Shares	Percentage Shareholding (Pre-Issue)	Percentage Shareholding (Post-Issue)
Bollineni Krishnaiah	2,280,000	9.17	[●]
Bollineni Seenaiah	4,847,180	19.50	[●]

As per our Articles of Association, the Directors are not required to hold any qualification shares.

Bonus or profit sharing plan for our Directors

We have no bonus or profit sharing plan for our Directors.

Interests of Directors

All of our Directors may be deemed to be interested to the extent of remuneration, fees or 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 the Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except for Bollineni Krishnaiah and Bollineni Seenaiah, none of our Directors have any interest in the promotion of our Company.

Except as disclosed in the section titled " ***Related Party Transactions***" on page 239, our Directors do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Draft Red Herring Prospectus.

Except as disclosed in the section titled "***Related Party Transactions***" at page 239, our Directors are not interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Changes in our Board during the last three years

Name	Date of Change	Reason
Deependu Jain (Alternate Director to Rajiv Sahney)	August 22, 2011	Cessation
P. Murali Krishna	September 16, 2011	Appointment
Ashoke Joshi	September 16, 2011	Appointment

Name	Date of Change	Reason
Amitabha Guha	September 16, 2011	Appointment
Man Mohan Agrawal	September 16, 2011	Appointment
B. Kameswara Rao	September 16, 2011	Appointment
U. Jayakodi	September 16, 2011	Resignation
T.Dayakar	September 16, 2011	Resignation
K. Thanu Pillai	July 4, 2012	Resignation
Man Mohan Agrawal	July 4, 2012	Resignation
Rajiv Sahney	February 28, 2013	Resignation

Corporate Governance

The provisions of the Listing Agreement with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock Exchanges. We have complied with the provisions relating to corporate governance set out in the Listing Agreement including with respect to the appointment of independent Directors to our Board and the constitution of committees of our Board. P. Murali Krishna, has also been appointed on the board of directors of our material subsidiary, BSCPL Infra Projects Limited.

The Company undertakes to take all necessary steps to comply with all the requirements of Clause 49 of the Listing Agreement.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement with the Stock Exchanges. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has 8 (eight) Directors including 4 (four) independent directors and are in compliance with the requirements of Clause 49 of the Listing Agreement.

Further, in compliance with Clause 49 of the Listing Agreement, the following Committees have been formed.

Audit Committee

The Audit Committee was constituted and reconstituted by our Directors at the meeting of the Board held on September 16, 2011 and July 04, 2012, respectively. The Audit Committee consists of P. Murali Krishna as chairman and Amitabha Guha, N. Sivaraman and B. Seenaiah as its other members.

The terms of reference of the constituted Audit Committee shall include the following:

1. Overseeing the Company’s financial reporting process and disclosure of its financial information;

2. Recommending to the Board the appointment, re-appointment, and replacement of the statutory auditor and the fixation of audit fee;

3. Approval of payments to the statutory auditors for any other services rendered by them;

4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

    (i) Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (2AA) of section 217 of the Companies Act, 1956;

    (ii) Changes, if any, in accounting policies and practices and reasons for the same;

    (iii) Major accounting entries involving estimates based on the exercise of judgment by management;

    (iv) Significant adjustments made in the financial statements arising out of audit findings;

    (v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

6. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

8. Discussion with internal auditors any significant findings and follow up there on;

9. 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;

10. 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;

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;

12. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

13. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the chief internal auditor;

14. Approve the appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc. of the candidate;

15. Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring if appointed, for the utilisation of proceeds of a public or rights issue, and make appropriate recommendations to the Board to take up steps in this matter; and

16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The powers of the re-constituted Audit Committee shall include the powers:

1. To investigate activity within its terms of reference;

2. To seek information from any employees;

3. To obtain outside legal or other professional advice; and

4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee is required to meet at least four times in a year under Clause 49 of the Listing Agreement.

Shareholders'/Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee was constituted and reconstituted by our Directors at the meeting of the Board held on September 16, 2011, and February 21, 2013, respectively. The Shareholders'/Investors' Grievance Committee is responsible for the redressal of shareholder grievances. The Shareholders'/Investors' Grievance Committee consists of Ashoke Joshi as the chairman and B. Kameswara Rao, and P. Murali Krishna as its other members.

The Shareholders'/Investors' Grievance Committee will carry out such functions for the redressal of shareholders' and investors' complaints, including but not limited to, transfer of shares, non-receipt of balance sheet, non-receipt of dividends, and any other grievance that a shareholder or investor of the Company may have against the Company.

The Shareholders'/Investors' Grievance Committee will have the following functions and powers:

1. To allot the Equity Shares, and to supervise and ensure:

2. To approve request for transfer and transmission of shares of the Company;

3. Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;

4. Issue of duplicate / split / consolidated share certificates;

5. Allotment and listing of shares;

6. Review of cases for refusal of transfer / transmission of shares and debentures;

7. To approve the dematerialization of shares and rematerialisation of shares;

8. To review from time to time overall working of the secretarial department of our Company relating to the shares of our Company and functioning of the share transfer agent and other related matters;

9. Reference to statutory and regulatory authorities regarding investor grievances; and

10. Otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

Additionally, we have also constituted the following committees:

IPO Committee

The IPO Committee was constituted and reconstituted by our Directors at the meeting of the Board held on Septemebr 16, 2011 and February 28, 2013, respectively. The IPO Committee is responsible for undertaking and monitoring all activities in relation to the Issue. The IPO Committee consists of Amitabha Guha as chairman and B.Kameswara Rao and N. Sivaraman as its other members.

The IPO Committee, inter alia is authorised to the following acts:

1. To make applications to the Foreign Investment Promotion Board, RBI and such other authorities as may be required for the purpose of allotment of shares to non-resident investors;

2. To decide on the actual size (including any reservation for employees, employees or shareholders of promoting companies/ group companies and/or any other reservations or firm allotments as may be permitted), the timing, pricing and all the terms and conditions of the issue of the shares for the Public Issue, including the price, and to accept any amendments, modifications, variations or alterations thereto;

3. To appoint and enter into arrangements with the BRLMs, underwriters to the Public Issue, syndicate members to the Public Issue, brokers to the Public Issue, Escrow Collection Bankers to the Public Issue, Registrars, legal advisors and any other agencies or persons or intermediaries to the Public Issue and to

negotiate and finalise the terms of their appointment, including but not limited to execution of the BRLMs mandate letter, negotiation, finalisation and execution of the issue agreement with the BRLMs, the Registrar's memorandum of understanding, etc.;

4. To finalise and settle and approve and adopt and execute and deliver or arrange the delivery of the Draft Red Herring Prospectus to the SEBI and the Stock Exchange(s) for receiving comments and the prospectus to be filed with the Registrar of Companies, and any corrigendum, amendments supplements thereto, the Red Herring Prospectus, the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the BRLMs, in accordance with all applicable laws, rules, regulations and guidelines, syndicate agreement, underwriting agreement, escrow agreement, stabilisation agreement and all other documents, deeds, agreements and instruments as may be required or desirable in relation to the Public Issue;

5. To open with the Bankers to the Issue such accounts as are required by the regulations issued by SEBI and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

6. To authorise and approve the incurring of expenditure and payment of fees in connection with the Public Issue;

7. To approve code of conduct as may be considered necessary by the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

8. To approve a suitable policy on insider trading as required under applicable laws, regulations and guidelines;

9. To seek, if required, the consent of the Company's lenders and/or parties with whom the Company has entered into various commercial and other agreements and/or any/all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the Equity Shares;

10. To give or authorize any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;

11. To approve any corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under applicable laws, regulations or guidelines in connection with the Public Issue;

12. To determine and finalise the Floor Price/Price Band for the Issue, approve the basis for allocation and confirm allocation of the Equity Shares to various categories of persons as disclosed in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to, the Issue;

13. To do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful Allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

14. To make applications for listing of the shares in the Stock Exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges;

15. To do all such deeds and acts as may be required to dematerialize the Equity Shares of the Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the aforestated documents;

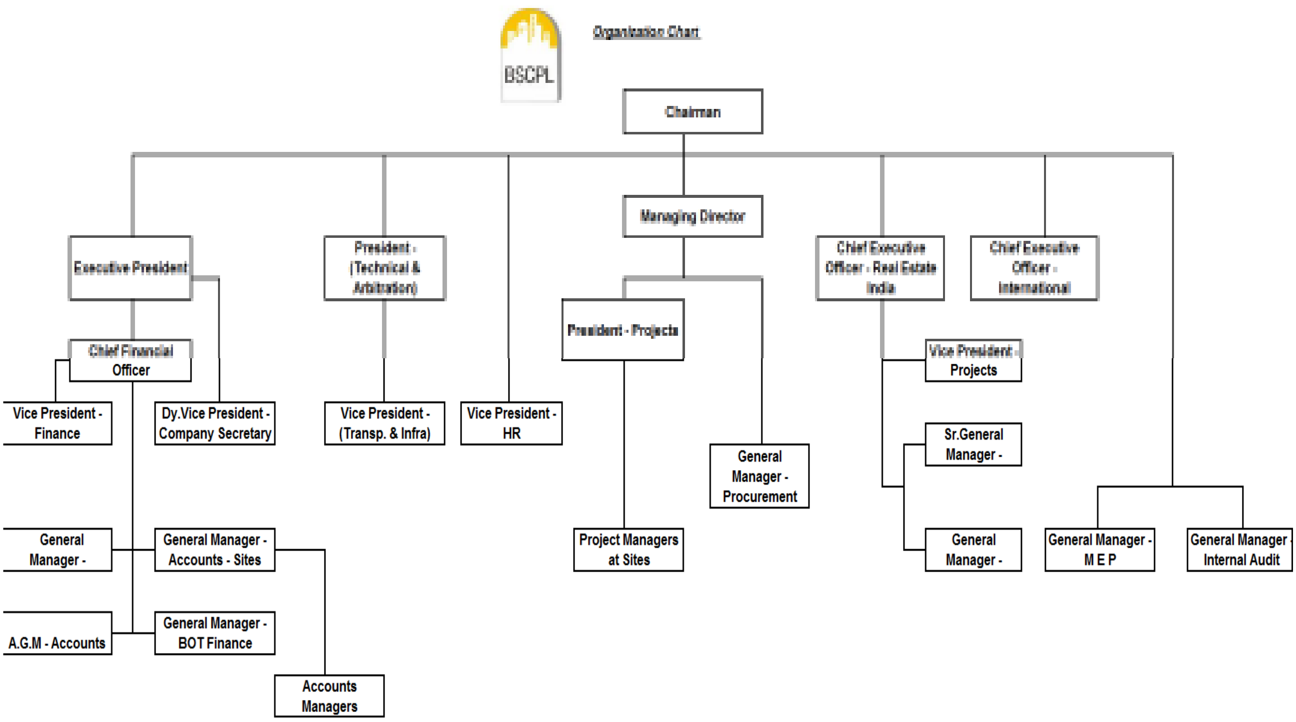
16. To invite the existing shareholders of the Company to participate in the Issue to offer for sale Equity Shares held by them at the same price as in the Issue;

17. To authorize any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorized person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment of the Equity Shares; and

18. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment as it may, in its absolute discretion deem fit and to carrying out any other function, acts and deeds as delegated by the board of directors of the Company.

Managerial Organisation Structure

The Company's management organisation structure is given below:



Key Managerial Personnel

The Company is managed by the Board of Directors, assisted by qualified professionals. The details of Key Managerial Personnel of the Company are as follows:

Name	Designation	Age
K. Thanu Pillai	Executive President	78
U. Jayakodi	President – Technical & Arbitration	66
T. Dayakar	President – Projects	56
A.V.B.R. Narasimham	Chief Financial Officer	40
Man Mohan Varma	Head – Real Estate	60
K. Saravana Kumar	Vice President – Trans & Infra	48
K.B.V Raghava Charyulu	Vice President – HR	50
G.K Chaudhari	Vice President – Projects	62
B.S. Bhaskar	Deputy Vice- President – Company Secretary	47

Name	Designation	Age
T.V. Manjunath	Chief Executive Officer (Real Estate)	52

The biographies of our other Key Managerial Personnel are as follows:

1. **K. Thanu Pillai**, aged 78 years, is the Executive President of our Company. He has been a key managerial person of the Company from 2007. He holds a bachelor's degree in commerce from Kerala. University He is qualified as CAIIB. He has significant experience in the banking sector and has previously worked as chief general manager and managing director of State Bank of Hyderabad. During the Fiscal Year 2012, he was paid remuneration ₹ 3.3 million by our Company.

2. **U. Jayakodi**, aged 65 years, is the President (Technical & Arbitration) of our Company. He has been associated with the Company since 1992. He holds a bachelor's degree in civil engineering from University of Madras. He has over 20 years of experience in the sector of civil engineering specially in roads and highways. Prior to joining our Company, he worked with Government of India, in the ministry of road transport & highway as Superintending Engineer; he retired voluntarily from the service on November 9, 1992. He is currently responsible for the Company's business operations in relation to the formation of Joint Ventures, bidding for major highway projects, planning and implementation of project execution and contract management. During the Fiscal Year 2012, he was paid a remuneration of ₹ 2.40 million by our Company.

3. **T. Dayakar**, aged 57 years, is the President (Projects) of our Company. He has been associated with the Company since 1991. He holds a bachelor's degree in commerce from Venkateswara University. He has over 20 years of experience in the sector. He is currently responsible for the overall administration of the project sites and also undertakes the role of a liaison between the technical wing of the Company and the relevant Government department. During the Fiscal Year 2012, he was paid a remuneration of ₹ 2.40 million by our Company.

4. **A.V.B.R. Narasimham**, aged 41 years, is the Chief Financial Officer of our Company. He has been associated with our Company since 2011. He holds a bachelor's degree in commerce from Osmania University and ACA, AICWA, ACS. He has 15 years of experience in the area of finance and accounts. Prior to joining our Company, he worked with KVK Nilachal Power (Private) Limited. He is currently responsible for all finance and tax related matters of the Company. During the Fiscal Year 2012, he was paid a gross compensation of ₹ 2.98 million by our Company.

5. **Man Mohan Varma**, aged 61 years, is the Head (Real Estate) of our Company. He has been associated with our Company since 2007. He holds a bachelor's degree in architecture from the Indian Institute of Technology, Kharagpur. He is currently responsible for the development of the Company's business in Dubai and Chennai. During the Fiscal Year 2012, he was paid a gross compensation of ₹ 4.2 million by our Company.

6. **K. Saravana Kumar**, aged 48 years, is the Vice President (Transport & Infrastructure) of our Company. He has been associated with the Company since 2005. He holds a master's degree in civil engineering from Indian Institute of Technology, Kanpur. Prior to joining our Company, he worked with the Andhra Pradesh Public Works Department (Roads & Buildings) Department, Government of Andhra Pradesh. He is currently responsible for technical matters like submission of tenders in relation to BOT projects. During the Fiscal Year 2012, he was paid a gross compensation of ₹ 2.64 million by our Company.

7. **K.B.V Raghava Charyulu**, aged 50 years, is the Vice President (Human Resources) of our Company. He is associated with the Company since April 02, 2012. He holds a bachelor's degree in law from Osmania University and a master's degree in arts from Andhra University. Prior to joining our Company, he worked with NCC Limited. He is currently responsible for the management of the human resource of the Company. His gross compensation as per his appointment letter is ₹ 2.29 million.

8. **G.K. Chaudhari**, aged 63 years, is the Vice President (Projects) of our Company. He has been associated with our Company since 2010. He holds a bachelor's degree in civil engineering from Walchand College of Engineering and a master's degree in administration from Indira Gandhi National Open University. Prior to

joining our Company, he worked with the Airports Authority of India. During Fiscal Year 2012, he was paid a gross compensation of ₹ 1.98 million by our Company.

9. **B.S. Bhaskar**, aged 48 years, is the Deputy Vice President (Company Secretary) of our Company. He has been associated with our Company since 2006. He holds a bachelor's degree in commerce from Osmania University and is a member of the Institute of Company Secretaries of India. Prior to joining our Company, he worked with Danlaw Technologies India Limited. During the Fiscal Year 2012, he was paid a gross compensation of ₹ 1.51 million by our Company.

10. **T.V. Manjunath,** aged 52 years, is the chief Executive Officer (Real Estate) of our Company. He joined our Company on December 3, 2012. He holds a bachelor's degree in Civil Engineeing from Bangalore University. He has over 30 years experience in real estate and construction business. His gross compensation as per the appointment letter dated December 3, 2012 is ₹ 9.00 million per annum by our Company.

All the Key Managerial Personnel are permanent employees of the Company. None of the Key Managerial Personnel are related to each other.

Pursuant to the Investment Agreement, New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat, New Vernon, Tiger Veda Bharat and Tattersalls shall have a right to jointly nominate one Director and New Investors had the right to jointly nominate one Director respectively on the Board of the Directors. For further details, see section titled "***History and Certain Corporate Matters – Summary of Key Agreements – Investment Agreement dated November 10, 2007***" on page 189.

Except as stated above, there has been/is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which the Directors or Key Managerial Personnel were selected as a Director or Key Managerial Personnel of the Company or otherwise for services rendered by any of the Directors or Key Managerial Personnel or by any firm or company in which the Director or Key Managerial Personnel is interested.

Shareholding of the Key Managerial Personnel

Name of the Managerial Personnel	Number of Equity Shares	% shareholding (Pre-Issue)	% shareholding (Post-Issue)
T. Dayakar	200,000	0.80	[●]

Bonus or profit sharing plan of the Key Managerial Personnel

Our Company does not have any performance linked bonus or profit sharing plan for our Key Managerial Personnel other than the terms and conditions stated in the employment agreements.

Benefits payable upon termination

Our key managerial personnel are entitled to the benefits in regard to the gratuity and provident fund as per the applicable laws. The Company provides for payment of gratuity to employees who have rendered continuous service for not less than five years at the time of retirement or termination of employment due to resignation or death or disability.

None of the Directors and Key Managerial Personnel has entered into service contracts with our Company providing for benefits upon termination of employment.

Changes in the Key Managerial Personnel

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of the Key Managerial Person	Date of change	Reason for change
A.V.M Pradeep Kumar	January 31, 2009	Resignation
Maheswara Rao N	April 1, 2009	Resignation

Name of the Key Managerial Person	Date of change	Reason for change
Krishnan G.P	November 30, 2009	Resignation
Col Anil Kumar	September 1, 2010	Resignation
Ravi Chawla	November 30, 2010	Resignation
Ajit Kumar K	January 31, 2011	Resignation
Narasimham AVBR	June 2, 2011	Appointment
Kiran Kumar S	July 2, 2011	Resignation
Madhavi B	July 28, 2011	Resignation
P. Vijayakumar	March 31,2012	Resignation
K.B.V Raghav Charyulu	April 04, 2012	Appointment
T.V. Manjunath	December 03, 2012	Appointment

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

1. Bollineni Krishnaiah;
2. Bollineni Seenaiah;
3. Bollineni Sujatha; and
4. Bollineni Yamuna.

The Promoters currently hold 10,731,500 Equity Shares, constituting 43.17% of the pre-Issue issued, subscribed and paid-up capital of the Company.

The details of our Promoters are as follows:

Bollineni Krishnaiah

Age: 69
Passport No.: Z1866530;
PAN: ACVPB8494N;
Voter's Identity: WUT0350462;
Driving License: DLRAP00938372009;
Current Personal Address: 8-2-546/2, Road No.7, Banjara Hills, Hyderabad 500 034.

Bollineni Seenaiah

Age: 61
Passport No.: G2858660;
PAN: ADAPB6173G;
Voter's Identity: WUT0350199;
Driving License**:**DLRAP0095010611
Current Personal Address: Plot No. 663-94 (Part), Road No. 33, Jubilee Hills, Hyderabad 500 033.

Bollineni Sujatha

Age: 59
Passport No.: F2471814;
PAN: ADKPB3551A;
Voter's Identity: Not available;
Driving License***:*** Not available;
Current Personal Address: 8-2-546/2, Road No.7, Banjara Hills, Hyderabad 500 034.

Bollineni Yamuna

Age: 54
Passport No.: G1650748;
PAN: ABPPB1043A;
Voter's Identity: Not available;
Driving License***:*** Not available;
Current Personal Address: Plot No. 663-94 9(Part), Road No. 33, Jubilee Hills, Hyderabad 500 033.

Brief biographies of the Promoters

For profiles of Bollineni Krishnaiah and Bollineni Seenaiah, see section titled '***Our Management***' on page 206.

Bollineni Sujatha

Bollineni Sujatha is one of the promoters of our Company and wife of Bollineni Krishnaiah. She holds 2,361,450 Equity Shares as on the date of this Draft Red Herring Prospectus**.** Bollineni Sujatha was a director in certain group companies.

Bollineni Yamuna

Bollineni Yamuna is one of the promoters of our Company and wife of Bollineni Seenaiah. She holds 1,242,870 Equity Shares as on the date of this Draft Red Herring Prospectus**.** Bollineni Yamuna was a director in certain group companies.

Nature and Extent of Interest of our Promoters

(a) ***In the promotion of the Company***

Our Promoters are interested in the Company to the extent that they have promoted the Company, their shareholding in the Company and to extent of them being Directors of the Company, our Subsidiaries and Joint Venture Companies. Our Promoters may also be deemed to be interested to the extent of any dividend payable to them and incentives and other benefits arising out of the ownership of the said Equity Shares. For further details of the interest of our Promoters who are Directors of our Company, see section titled "***Our Management***" on page 206.

(b) ***In the properties acquired or proposed to be acquired by the Company in the past two years before filing the Draft Red Herring Prospectus with SEBI***

Promoters are not interested in the properties acquired or proposed to be acquired by the Company in the two years preceding the filing of the Draft Red Herring Prospectus.

(c) ***In transactions for acquisition of land and construction of building and supply of machinery***

Except as disclosed, none of our Promoters and Group Companies are interested in any transactions for the acquisition of land or construction of building or supply of machinery undertaken by the Company. For the details of such transaction, see section titiled "***Related Party Transactions***" on page 239.

Payment of benefits to our Promoters or Promoter Group during the last two years

Except as stated in the sections titled "***Our Management***" and "***Related Party Transactions***" on pages 206 and 239 respectively, there has been no payment of benefits to our Promoters or Promoter Group during the last two years from the date of filing of this Draft Red Herring Prospectus.

Related Party Transactions

For details of the related party transactions, see section titled "***Related Party Transactions***" on page 239.

Disassociation by the Promoters in the last three years

A. Bollineni Krishnaiah

Name of the Company	Reasons for Disassociation	Date of Disassociation
BRN Avenues Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of	February 5,2011

Name of the Company	Reasons for Disassociation	Date of Disassociation
	Corporate Affairs was availed.	
BRN Housing Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5,2011
e-Talents Software Pvt. Ltd.	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	August 17, 2012
Aishu Avenues Pvt. Ltd.	Disinvestment of shares	April 12, 2012
Anitha Housing Pvt. Ltd.	Disinvestment of shares	April 12, 2012
Beekay Dreamlands Pvt. Ltd.	Disinvestmnet of shares	April 12, 2012
Krishnaiah Dreamlands Pvt. Ltd.	Disinvestment of shares	April 12, 2012
Krishnaiah Home Fields Pvt. Ltd.	Disinvestment of shares	April 12, 2012

B. Bollineni. Seenaiah

Name of the Company	Reasons for Disassociation	Date of Disassociation
BeeYes Avenues Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
BeeYes Dreamlands Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Harini Avenues Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Harini Housing Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Seenaiah Dreamlands Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Seenaiah Home Fields Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Yamuna Housing Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Bollineni Sponge Iron Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	August 17,2012
Sandeep Resorts Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	August 17,2012

C. Bollineni. Sujatha

Name of the Company	Reasons for Disassociation	Date of Disassociation
BRN Avenues Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5,2011
Aishu Avenues Private Limited	Disinvestment of shares	April 12, 2012
Krishnaiah Dreamlands Private Limited	Disinvestment of shares	April 12, 2012
Sujatha Arcades Private Limited	Disinvestment of shares	April 12, 2012
Sujatha Homes Private Limited	Disinvestment of shares	April 12, 2012

D. Bollineni. Yamuna

Name of the Company	Reasons for Disassociation	Date of Disassociation
Seenaiah Dreamlands Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
Yamuna Housing Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011
BeeYes Dreamlands Private Limited	As the Company was defunct, the Easy Exit Scheme, 2010 / Fast Track Exit, 2011 announced by the Ministry of Corporate Affairs was availed.	February 5, 2011

Other Confirmations

Our Promoters have further confirmed that they have not been declared as wilful defaulters by the Reserve Bank of India or any other government 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.

We confirm that the PAN, passport number, and bank account numbers of our Promoters will be submitted to the Stock Exchanges, at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.

Additionally, none of our Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Further, none of our Promoters was or is 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 Board.

Promoter Group

Promoter Group Individuals

Relatives of the Promoter who form part of the Promoter Group under Regulation 2(1)(zb) of the SEBI Regulations are as follows:

Relationship	Bollineni Krishnaiah	Bollineni Seenaiah	Bollineni Sujatha	Bollineni Yamuna
Father	Bollineni Ramanaiah Naidu (Late)	Bollineni Ramanaiah Naidu (Late)	Talluru Venkaiah Naidu	Kancherla Ramanappa (Late)

Relationship	Bollineni Krishnaiah	Bollineni Seenaiah	Bollineni Sujatha	Bollineni Yamuna
Mother	Bollineni Venkamma (Late)	Bollineni Venkamma (Late)	Talluru Venkata Subbamma	Kancherla Lakshmikanthamma (Late)
Sister	Talluru Lalithamma and Padmamma	Talluru Lalithamma and Padmamma	Damavarapu Lakshmi Kanthamma	Krishnavenamma and Yasodamma (Late)
Brother	Bollineni Seenaiah and Bollineni Bhaskar Rao	Bollineni Krishnaiah and Bollineni Bhaskar Rao	Talluru Ramanaiah and Talluru Balaramaiah	Kancherla Venkata Krishnaiah, K. Viajaya Kumar and K. Venkateswarlu
Spouse	Bollineni Sujatha	Bollineni Yamuna	Bollineni Krishnaiah	Bollineni Seenaiah
Son	Bollineni Arjun Chowdhary	Bollineni Sandeep	Bollineni Arjun Chowdhary	Bollineni Sandeep
Daughter	Bollineni Aishwarya	Chebrolu Harini	Bollineni Aishwarya	Chebrolu Harini
Spouse's Father	Talluru Venkaiah Naidu	Kancherla Ramanappa (Late)	Bollineni Ramanaiah Naidu (Late)	Bollineni Ramanaiah Naidu (Late)
Spouse's Mother	Talluru Venkata Subbamma	Kancherla Lakshmikanthamma (Late)	Bollineni Venkamma (Late)	Bollineni Venkamma (Late)
Spouse's Brother	Talluru Ramanaiah, Talluru Balaramaiah	Kancherla Venkata Krishnaiah, K. Viajaya Kumar and K. Venkateswarlu	Bollineni Seenaiah and Bollineni Bhaskar Rao	Bollineni Krishnaiah and Bollineni Bhaskar Rao
Spouse's Sister	Damavarapu Lakshmi Kanthamma	Krishnavenamma, Yasodamma (Late)	Talluru Lalithamma and Padmamma	Talluru Lalithamma and Padmamma

Promoter Group Entities

Other than our Group Companies and entities forming part of our Promoter Group, our Promoter Group under Regulation 2(1) (zb) of the SEBI Regulations are as follows:

Promoter Group Companies

1. Bollineni Ramanaiah Memorial Hospitals Private Limited;

2. Arunodaya Hospitals Private Limited; and

3. KIMS Wardak Diagnostics Centre Private Limited;

For details of our our Group Companies and entities forming part of our Promoter Group, see section titled "***Group Companies***" on page 224.

GROUP COMPANIES

The following are our Group Companies:

1. Aishu Castings Limited;
2. Aishu Dreamlands Limited;
3. Aishu Projects Limited;
4. Aishu Realtors Private Limited;
5. Amar Bio-Tech Limited;
6. BDL Arcades Private Limited;
7. BDL Avenues Private Limited;
8. BDL BeeKay Avenues Private Limited;
9. BDL Home Fields Private Limited;
10. BDL Housing Private Limited;
11. BDL Infrastructure Private Limited;
12. BDL Projects Private Limited;
13. Bollineni Casting and Steel Limited;
14. Bollineni Developers Limited;
15. Chebrolu Hanumaiah and Brothers Private Limited;
16. DNN Realtors Private Limited;
17. Krishnaiah Projects Private Limited
18. Krishna Institute of Medical Sciences Limited;
19. Seenaiah Constructions Private Limited;
20. Sri BDL Dhatri Developers Private Limited;
21. Sri BDL Dreamlands Private Limited;
22. Sri BDL Properties Private Limited;
23. Sri BDL Real Estates Private Limited;
24. Sri BK & BS Realtors Private Limited;
25. Sri BKN Estates Private Limited;
26. Sri Krishnaiah Property Developers Private Limited; and
27. Traditional Bharat Kala Arts & Crafts.

Trusts

28. Bollineni Family Trust; and
29. Bollineni Krishnaiah Charitable Trust.

Partnerships

30. Velora Imports & Exports

31. Venkateswara Mining & Crushing

Top five Group Companies based on turnover are as follows:

1. Krishna Institute of Medical Sciences Limited

Corporate Information

Krishna Institute of Medical Sciences Limited was originally incorporated on July 26, 1973 as Jagjit Singh and Sons Private Limited under the Companies Act and the name was later changed to Krishna Institute of Medical Sciences Private Limited on January 2, 2004. Subsequently, pursuant to a fresh certificate of incorporation dated January 29, 2004, the name was changed to Krishna Institute of Medical Sciences Limited. Krishna Institute of Medical Sciences Limited is engaged in the business of establishing and managing hospitals, clinics, laboratories, research centres etc.

The authorised share capital of Krishna Institute of Medical Sciences Limited is ₹ 100,000,000 divided into

10,000,000 equity shares of ₹ 10 each and the paid-up capital of Krishna Institute of Medical Sciences Limited is ₹ 38,254,840 divided into 3,825,484 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Sujatha collectively hold 19.89% of the issued and paid up capital of Krishna Institute of Medical Sciences Limited. The remaining equity shares of Krishna Institute of Medical Sciences Limited are held by IL&FS Trust Company Limited, Milestone Trusteeship Services Private Limited and certain other individuals.

Financial Information

(₹i million)

Details	March 31, 2012	March 31,2011	March 31,2010
Equity capital (par value ₹ 10 per share)	38.25	38.25	38.25
Sales	1,833.52	1,458.56	1,297.87
Profit/Loss after tax	166.19	148.15	168.31
Reserves and Surplus (excluding revaluation reserve)	1,568.19	1,402.00	1,253.85
Earnings per share	**43.44**	**38.73**	**53.27**
Net asset Value per share	419.93	376.49	337.76

The statutory auditors of Krishna Institute of Medical Sciences Limited have in their audit report for the relevant period made the following qualification:

The company had enetered into a contract aggregating to Rs. 99,477,355 (previous year Rs. 42,903,389) with Manpower Resource Bank, a proprietorship firm ("the firm") for the purchase of Man power support services. Prior approval of the Central Government under Section 297 of the Companies Act, 1956, is required for this contract. The company has not obtained the said approval and intends to apply to the Central Government for the necessary approvals. Pending such approval, we are unable to quantify the impact of this non-compliance on the profit for the year and the net assets of the Company as at March 31, 2012.

2. Bollineni Developers Limited

Corporate Information

Bollineni Developers Limited was originally incorporated on June 17, 1996 as Bollineni Finance Private Limited under the Companies Act. Subsequently, the name was changed to Bollineni Developers Limited on April 12, 2006. Bollineni Developers Limited is engaged in the business of purchasing, acquiring and developing land for converting it into farmhouses, orchards etc. and taking on hire or on exchange or acquire interest in land, buildings etc.

The authorised share capital of Bollineni Developers Limited is ₹400,000,000 divided into 40,000,000 equity shares of ₹ 10 each and the paid-up capital of Bollineni Developers Limited is ₹ 387,076,700 divided into 38,707,670 equity shares of ₹10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Sujatha collectively hold 21.44% of the issued and paid up capital of Bollineni Developers Limited. The remaining equity shares of Bollineni Developers Limited are held by SCL, Aishu Projects Limited, BRM Hospitals Limited and certain other individuals.

Financial Information

(₹in million)

Details	March 31,2012	March 31,2011	March 31,2010
Equity capital (par value ₹ 10 per share)	387.08	360.53	237.78
Sales	613.97	97.61	90.91
Profit/Loss after tax	(135.41)	(172.11)	(147.55)
Reserves and Surplus (excluding revaluation reserve)	(867.38)	(731.97)	(559.86)
Earnings per share	**(3.50)**	**(4.77)**	**(6.21)**
Net asset Value per share	(12.41)	(10.30)	(13.55)

3. Bollineni Casting and Steel Limited

Corporate Information

Bollineni Casting and Steel Limited was originally incorporated on September 8, 1997 under the Companies Act as Aishu Power Limited and commenced business on September 23, 1997. Subsequently, on August 21, 2002 changed its name to Aishu Infrastructure Limited and on April 10, 2006, again changed its name to Bollineni Casting and Steel Limited. Bollineni Casting and Steel Limited is engaged in the business of developing, distribution, supplying electricity by setting up power plants.

The authorised share capital of Bollineni Casting and Steel Limited is ₹ 550,000,000 divided into 55,000,000 equity shares of ₹10 each and the paid-up capital of Bollineni Casting and Steel Limited is ₹ 546,806,150 divided into 54,680,615 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters collectively hold 25.67% of the issued and paid up capital of Bollineni Casting and Steel Limited. The remaining equity shares of Bollineni Casting and Steel Limited are held by certain other individuals.

Financial Information

(₹in million)

Details	March 31, 2012	March 31, 2011	March 31, 2010
Equity capital (par value ₹ 10 per share)	546.81	296.81	296.81
Sales	223.67	309.40	284.68
Profit/Loss after tax	(84.83)	(186.45)	(116.88)
Reserves and Surplus (excluding revaluation reserve)	(512.13)	(427.30)	(261.36)
Earnings per share	**(1.55)**	**(6.28)**	**(3.94)**
Net asset Value per share	0.63	(4.40)	1.19

4. Aishu Castings Limited

Corporate Information

Aishu Castings Limited was originally incorporated on May 9, 1997 as Aishu Castings Private Limited. Subsequently, on December 20, 2007, the name was changed to Aishu Castings Limited. Aishu Castings Limited is engaged in the business of dealing in ferrous and non- ferrous castings.

The authorised share capital of Aishu Castings Limited is ₹ 25,000,000 divided into 2,500,000 equity shares of ₹ 10 each and the paid-up capital of Aishu Castings Limited is ₹ 21,925,700 divided into 2,192,570 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Sujatha collectively hold 90.88% of the issued and paid up capital of Aishu Castings Limited. The remaining equity shares of Aishu Castings

Limited are held by Krishnaiah Projects Private Limited and certain other individuals.

Financial Information

(₹ in million)

Details	March 31, 2012	March 31,2011	March 31,2010
Equity capital (par value ₹ 10 per share)	21.93	21.93	21.93
Sales	167.19	157.92	153.23
Profit/Loss after tax	3.78	2.31	9.21
Reserves and Surplus (excluding revaluation reserve)	53.36	49.58	47.26
Earnings per share	**1.72**	**1.06**	**4.20**
Net asset Value per share	34.33	32.61	31.56

5. Amar Bio-Tech Limited

Corporate Information

Amar Bio Technology Limited was a company originally incorporated on August 2, 2000 under the Companies Act as Amar Bio-Tech Private Limited. Subsequently, the name was changed to Amar Bio-Tech Limited. Amar Bio-Tech Limited is engaged in the business of manufacturing and marketing agricultural products fertilizers, plant growth promoters etc.

The authorised share capital of Amar Bio Technology Limited is ₹75,000,000 divided into 7,500,000 equity shares of ₹ 10 each and the paid-up capital of Amar Bio Technology Limited is ₹70,100,000 divided into 7,010,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Sujatha collectively hold 58.43% of the issued and paid up capital of Amar Bio Technology Limited. The remaining equity shares of Amar Bio Technology Limited are held by Aishu Fincorp Limited and certain other individuals.

Financial Information

(₹ in million)

Details	March 31, 2012	March 31, 2011	March 31, 2010
Equity capital (par value ₹ 10 per share)	70.10	70.10	70.10
Sales	136.47	151.47	213.14
Profit/Loss after tax	1.33	1.28	5.66
Reserves and Surplus (excluding revaluation reserve)	11.36	10.03	8.75
Earnings per share	**0.19**	**0.18**	**0.81**
Net asset Value per share	11.62	11.43	11.25

In addition to the details of our top five Group Companies based on turnover as listed above, for details relating to Aishu Projects Limited, our listed Group Company, which is also a company having a negative net worth, please see the page 228 below.

Negative net worth Group Companies are as follows:

6. Aishu Dreamlands Limited

Corporate Information

Aishu Dreamlands Limited was originally incorporated on March 6, 1995 as Aishu Securities Limited under the Companies Act and commenced business on April 28, 1995. Subsequently, on April 3, 2008, the name was changed to Aishu Dreamlands Limited. Aishu Dreamlands Limited is engaged in the business of share brokers, share agents, investment consultants and portfolio management consultants.

The authorised share capital of Aishu Dreamlands Limited is ₹ 12,500,000 divided into 125,000 equity shares of ₹10 each and the paid-up capital of Aishu Dreamlands Limited is ₹ 10,527,000 divided into 1,052,700 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Sujatha hold 99.96% of the issued and paid up capital of Aishu Dreamlands Limited. The remaining equity shares of Aishu Dreamlands Limited are held by certain other individuals.

Financial Information

(₹ in million)

Details	March 31,2012	March 31,2011	March 31-2010
Equity capital (par value ₹ 10 per share)	10.53	10.53	10.53
Sales	5.47	0.00	0.00
Profit/Loss after tax	(0.54)	(0.06)	(0.85)
Reserves and Surplus (excluding revaluation reserve)	(11.27)	(10.74)	(10.68)
Earnings per share	(0.51)	(0.06)	(0.81)
Net asset Value per share	**(0.71)**	**(0.20)**	**(0.14)**

7. **Aishu Projects Limited**

Corporate Information

Aishu Projects Limited was originally incorporated on September 20, 1993 under the Companies Act as Aishu General Finance Limited and the name was subsequently changed to Aishu Finance Limited on July 26, 1994 and to Aishu Fincorp Limited on November 11, 1998. On September 16, 2006, the name was changed to Aishu Projects Limited. Aishu Projects Limited is engaged in the business of construction of buildings, apartments and townships amongst other construction activities.

The authorised share capital of Aishu Projects Limited is ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each and the paid-up and subscribed capital of Aishu Projects Limited is ₹ 48,685,000 divided into 4,868,500 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah, Bollineni Seenaiah and Bollineni Sujatha collectively hold 20.96% of the issued and paid up capital of Aishu Projects Limited. The Company holds 14.96% of the issued and paid up capital of Aishu Projects Limited. The remaining equity shares of Aishu Projects Limited are held by certain individual and entities.

Financial Information

(₹ in million)

Details	March 31,2012	March 31,2011	March 31, 2010
Equity capital (par value ₹ 10 per share)	48.69	48.69	48.69
Sales	39.99	0.00	0.00
Profit/Loss after tax	(1.11)	(14.63)	(14.44)
Reserves and Surplus (excluding revaluation reserve)	(71.76)	(70.65)	(56.02)
Earnings per share	**(0.23)**	**(3.00)**	**(2.97)**
Net asset Value per share	(4.74)	(4.51)	(1.51)

Aishu Projects Limited was listed on the Madras Stock Exchange on December 19, 1996, and on the

Hyderabad Stock Exchange on December 5, 1996. While Hyderabad Stock Exchange has subsequently ceased to operate as a recognized stock exchange, the documents available with us indicate that APL continues to be listed on Madras Stock Exchange. For further details, see section titled "***Risk Factors - One of our Group Companies, Aishu Projects Limited, does not have documents relating to compliances with the Listing Agreement and other applicable securities laws"*** on page 27.

8. Chebrolu Hanumaiah and Brothers Private Limited

Corporate Information

Chebrolu Hanumaiah and Brothers Private Limited was incorporated on February 5, 1993 under the Companies Act. Chebrolu Hanumaiah and Brothers Private Limited is engaged in the business of growing tobacco and manufacturing and dealing in tobacco, cigars, cigarettes etc.

The authorised share capital of Chebrolu Hanumaiah and Brothers Private Limited is ₹ 1,000,000 divided into 10,000 equity shares of ₹ 100 each and the paid-up capital of Chebrolu Hanumaiah and Brothers Private Limited is ₹ 492,400 divided into 4,924 equity shares of ₹ 100 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah and Bollineni Seenaiah collectively hold 70.78% of the issued and paid up capital of Chebrolu Hanumaiah and Brothers Private Limited. The remaining equity shares of Chebrolu Hanumaiah and Brothers Private Limited are held by another individual.

Financial Information

(₹in million)

Details	March 31,2012	March 31,2011	March 31,2010
Equity capital (par value ₹ 100 per share)	0.49	0.49	0.49
Sales	0.00	0.00	0.00
Profit/Loss after tax	0.13	(0.24)	(3.81)
Reserves and Surplus (excluding revaluation reserve)	(12.06)	(12.20)	(9.61)
Earnings per share	**27.16**	**(48.86)**	**(774.37)**
Net asset Value per share	(2349.55)	(2376.72)	(1852.67)

The statutory auditors of Chebrolu Hanumaiah and Brothers Private Limited have in their audit report for the relevant period made the following qualification :

Diminution in the value of long term investments in M/s Chebrolu Exports Private Limited, Guntur was not quantified and consequently no provision has been made by the company (Ref: audit reports for thr fiscal years ended March 31, 2011 and Mach 31, 2010)

9. Sri BDL Properties Private Limited

Corporate Information

Sri BDL Properties Private Limited was incorporated on December 26, 2007 under the Companies Act. Sri BDL Properties Private Limited is engaged in the business of acquiring land and developing it by constructing civil structures.

The authorised share capital of Sri BDL Properties Private Limited is ₹ 75,000,000 divided into 75,00,000 equity shares of ₹ 10 each and the paid-up capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters do not have any direct shareholding in Sri BDL Properties Private Limited. Bollineni Developers Limited holds 45% of the issued and paid up capital of the company and the remaining equity shares are held by an individual.

(₹in million)

Details	March 31, 2012	March 31, 2011	March 31, 2010
Equity capital (par value ₹ 10 per share)	0.10	0.10	0.10
Sales	0.00	0.00	0.00
Profit/Loss after tax	(0.01)	(0.01)	(0.01)
Reserves and Surplus (excluding revaluation reserve)	(0.53)	(0.51)	(0.50)
Earnings per share	**(1.37)**	**(1.31)**	**(0.78)**
Net asset Value per share	(42.80)	(41.43)	(40.11)

10. BDL Projects Private Limited

Corporate Information

BDL Projects Private Limited was incorporated on January 25, 2008 under the Companies Act. The company is engaged in the business of acquiring land and developing it by constructing civil structures.

The authorised share capital of BDL Projects Private Limited is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹10 each and the paid-up capital is ₹100,000 divided into 10,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoter, Bollineni Seenaiah holds 55% of the issued and paid up capital of BDL Projects Private Limited. The remaining equity shares are held by Bollineni Developers Limited.

(₹in millions)

Details	March 31, 2012	March 31, 2011	March 31, 2010
Equity capital (par value ₹ 10 per share)	0.10	0.10	0.10
Sales	0.00	0.00	0.00
Profit/Loss after tax	(0.02)	(0.01)	(0.01)
Reserves and Surplus (excluding revaluation reserve)	(0.53)	(0.52)	(0.50)
Earnings per share	**(1.61)**	**(1.34)**	**(0.67)**
Net asset Value per share	(43.11)	(41.50)	(40.16)

Other Group Companies

11. Aishu Realtors Private Limited

Corporate Information

Aishu Realtors Private Limited was incorporated on September 20, 2007 under the Companies Act. Aishu Realtors Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Aishu Realtors Private Limited is ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each and the paid-up capital of Aishu Realtors Private Limited is ₹ 97,090,000 divided into 9,709,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters Bollineni Krishnaiah and Bollineni Seenaiah collectively hold 0.10% of the issued and paid up capital of Aishu Realtors Private Limited. Bollineni Developers Limited holds 99.84% of the issued and paid up capital of Aishu Realtors Private Limited. The remaining equity shares of Aishu Projects Limited are held by two individuals.

12. BDL Arcades Private Limited

Corporate Information

BDL Arcades Private Limited was incorporated on December 17, 2007 under the Companies Act. BDL Arcades Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.The authorised share capital of BDL Arcades Private Limited is ₹ 75,000,000 divided into 7,500,00 equity shares of ₹ 10 each and the paid-up capital of BDL Arcades Private Limited is ₹ 17,721,000 divided into 1,772,100 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Seenaiah and Bollineni Sujatha collectively hold 0.45% of the issued and paid up capital of BDL Arcades Private Limited. Bollineni Developers Limited holds 99.41% of the issued and paid up capital of BDL Arcades Private Limited. The remaining equity shares of BDL Arcades Private Limited are held by another individual.

13. BDL Avenues Private Limited

Corporate Information

BDL Avenues Private Limited was incorporated on December 26, 2007 under the Companies Act. BDL Avenues Private Limited is engaged in the business of working acquiring land with intention to develop it by constructing civil structures.The authorised share capital of BDL Avenues Private Limited is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each and the paid-up capital of BDL Avenues Private Limited is ₹ 69,527,000 divided into 6,952,700 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Yamuna holds 0.03% of the issued and paid up capital of BDL Avenues Private Limited. Bollineni Developers Limited holds 99.85% of the issued and paid up capital of BDL Avenues Private Limited. The remaining equity shares of BDL Avenues Private Limited are held by two individuals.

14. BDL BeeKay Avenues Private Limited

Corporate Information

BDL BeeKay Avenues Private Limited was originally incorporated on April 17, 2007 under the Companies Act as BeeKay Avenues Private Limited. Subsequently, on April 24, 2008, the name was changed to BDL BeeKay Avenues Private Limited. BDL BeeKay Avenues Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.The authorised share capital of BDL BeeKay Avenues Private Limited is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each and the paid-up capital of BDL BeeKay Avenues Private Limited is ₹ 400,000 divided into 40,000 equity shares of ₹10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah and Bollineni Sujatha hold 25% of the issued and paid up capital of BDL BeeKay Avenues Private Limited. The remaining equity shares of BDL BeeKay Avenues Private Limited are held by Bollineni Developers Limited.

15. BDL Home Fields Private Limited

Corporate Information

BDL Home Fields Private Limited was incorporated on December 26, 2007 under the Companies Act. BDL Home Fields Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.The authorised share capital of BDL Home Fields Private Limited is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each and the paid-up capital of BDL Home Fields Private Limited is ₹ 32,446,000 divided into 3,244,600 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters do not have any direct shareholding in BDL Home Fields Private Limited. Bollineni Developers Limited holds 99.60% of the issued and paid up capital of BDL Home Fields Private Limited. The remaining equity shares of BDL Home Fields Private Limited are held by three individuals.

16. BDL Infrastructure Private Limited

Corporate Information

BDL Infrastructure Private Limited was incorporated on December 26, 2007 under the Companies Act. BDL Infrastructure Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures. The authorised share capital of BDL Infrastructure Private Limited is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each and the paid-up capital of BDL Infrastructure Private Limited is ₹ 65,171,000 divided into 6,517,100 equity shares of ₹ 10 each

Interests of the Promoters

Our Promoter, Bollineni Seenaiah holds 0.08% of the issued and paid up capital of BDL Infrastructure Private Limited. Bollineni Developers Limited holds 99.84% of the issued and paid up capital of BDL Infrastructure Private Limited. The remaining equity shares of BDL Infrastructure Private Limited are held by two individuals.

17. DNN Realtors Private Limited

Corporate Information

DNN Realtors Private Limited was incorporated on September 19, 2007 under the Companies Act. DNN Realtors Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of DNN Realtors Private Limited is ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each and the paid-up capital of DNN Realtors Private Limited is ₹ 73,407,000 divided into 7,340,700 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters do not have any direct shareholding in DNN Realtors Private Limited. Bollineni Developers Limited holds 99.79% of the issued and paid up capital of DNN Realtors Private Limited. The remaining equity shares of DNN Realtors Private Limited are held by three individuals.

18. Seenaiah Constructions Private Limited

Corporate Information

Seenaiah Constructions Private Limited was originally incorporated on June 17, 1996 under the Companies Act as Seenaiah Traders Private Limited. Subsequently, on October 18, 2002, the name was changed Seenaiah Constructions Private Limited. Seenaiah Constructions Private Limited is engaged in the business of construction of highways, dams and other civil engineering works.

The authorised share capital of Seenaiah Constructions Private Limited is ₹ 2,500,000 divided into 250,000 equity shares of ₹ 10 each and the paid-up capital of Seenaiah Constructions Private Limited is ₹ 881,200 divided into 88,120 equity shares of ₹10 each

Interests of the Promoters

Our Promoter, Bollineni Seenaiah holds 56.75% of the issued and paid up capital of Seenaiah Constructions Private Limited. The remaining equity shares of Seenaiah Constructions Private Limited are held by certain other individuals.

19. Sri BDL Dhatri Developers Private Limited

Corporate Information

Sri BDL Dhatri Developers Private Limited was incorporated on December 20, 2007 under the Companies Act. Sri BDL Dhatri Developers Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Sri BDL Dhatri Developers Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and the paid-up capital of Sri BDL Dhatri Developers Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters do not have any direct shareholding in Sri BDL Dhatri Developers Private Limited. Bollineni Developers Limited holds 45% of the issued and paid up capital of Sri BDL Dhatri Developers Private Limited. The remaining equity shares of Sri BDL Dhatri Developers Private Limited are held by an individual.

20. Sri BDL Dreamlands Private Limited

Corporate Information

Sri BDL Dreamlands Private Limited was incorporated on January 21, 2008 under the Companies Act. Sri BDL Dreamlands Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Sri BDL Dreamlands Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and the paid-up capital of Sri BDL Dreamlands Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters do not have any direct shareholding in Sri BDL Dreamlands Private Limited. Bollineni Developers Limited holds 45% of the issued and paid up capital of Sri BDL Dreamlands Private Limited. The remaining equity shares of Sri BDL Dreamlands Private Limited are held by an individual.

21. Sri BDL Real Estates Private Limited

Corporate Information

Sri BDL Real Estates Private Limited was incorporated on December 20, 2007 under the Companies Act. Sri BDL Real Estates Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Sri BDL Real Estates Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and the paid-up capital of Sri BDL Real Estates Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters do not have any direct shareholding in Sri BDL Real Estates Private Limited. Bollineni Developers Limited holds 45% of the issued and paid up capital of Sri BDL Real Estates Private Limited. The remaining equity shares of Sri BDL Real Estates Private Limited are held by an individual.

22. Sri BK and BS Realtors Private Limited

Corporate Information

Sri BK and BS Realtors Private Limited was incorporated on September 19, 2007 under the Companies Act. Sri BK and BS Realtors Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Sri BK and BS Realtors Private Limited is ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each and the paid-up capital of Sri BK and BS Realtors Private Limited is ₹ 97,075,000 divided into 9,707,500 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoters, Bollineni Krishnaiah and Bollineni Seenaiah hold 1% of the issued and paid up capital of Sri BK and BS Realtors Private Limited. Bollineni Developers Limited holds 99.85% of the issued and paid up capital of Sri BK and BS Realtors Private Limited. The remaining equity shares of Sri BK and BS Realtors Private Limited are held by two individuals.

23. Sri BKN Estates Private Limited

Corporate Information

Sri BKN Estates Private Limited was incorporated on September 21, 2007 under the Companies Act. Sri BKN Estates Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Sri BKN Estates Private Limited is ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each and the paid-up capital of Sri BKN Estates Private Limited is ₹ 96,225,000 divided into 9,625,500 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoter, Bollineni Krishnaiah holds 0.05% of the issued and paid up capital of Sri BKN Estates Private Limited. Bollineni Developers Limited holds 99.85% of the issued and paid up capital of Sri BKN Estates Private Limited. The remaining equity shares of Sri BKN Estates Private Limited are held by two individuals.

24. Sri Krishnaiah Property Developers Private Limited

Corporate Information

Sri Krishnaiah Property Developers Private Limited was incorporated on September 21, 2007 under the Companies Act. Sri Krishnaiah Property Developers Private Limited is engaged in the business of acquiring land with intention to develop it by constructing civil structures.

The authorised share capital of Sri Krishnaiah Property Developers Private Limited is ₹ 75,000,000 divided into 7,500,00 equity shares of ₹ 10 each and the paid-up capital of Sri Krishnaiah Property Developers Private Limited is ₹ 70,600,000 divided into 7,060,000 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoter, Bollineni Krishnaiah holds 0.07% of the issued and paid up capital of Sri Krishnaiah Property Developers Private Limited. Bollineni Developers Limited holds 99.79% of the issued and paid up capital of Sri Krishnaiah Property Developers Private Limited. The remaining equity shares of Sri Krishnaiah Property Developers Private Limited are held by two individuals.

25. Traditional Bharat Kala Arts & Crafts

Corporate Information

Traditional Bharat Kala Arts & Crafts was granted license on July 14, 2009 by Officer of Regional Director, Sothern region, Ministry of Corporate Affairs directing that its registration under Section 25 of the Companies Act as company limited by guarantee and having share capital. Traditional Bharat Kala Arts & Crafts is engaged in the business of protecting, promoting, sponsoring, upgrading indigenous arts, crafts, skills that reflect age old Indian culture and are on the verge of extinction due to lack of proper patronage.

The authorised share capital of Traditional Bharat Kala Arts & Crafts is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each and the subscribed capital of Traditional Bharat Kala Arts & Crafts is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each as per its memorandum of association.

Interests of the Promoters

As of the date of incorporation Traditional Bharat Kala Arts & Crafts, one of our Promoters, Bollineni Krishnaiah held 50% of the issued and paid up capital of Traditional Bharat Kala Arts & Crafts. The remaining equity shares of Traditional Bharat Kala Arts & Crafts are held by other individuals.

26. Bollineni Family Trust

Bollineni Family Trust is a private family trust. The object of the trust is to provide for the maintenance and well being of the beneficiaries. Bollineni Krishnaiah, Talluru Panchala Naidu, and Bollineni Seenaiah are trustees of the Bollineni Family Trust.

27. Bollineni Krishnaiah Charitable Trust

Bollineni Krishnaiah Charitable Trust is a charitable trust under the deed of trust dated July 2, 1992 and the amendment deed dated February 28, 2000. The object of the trust is to provide relief to the poor, medical relief and the advancement of any other object of general public utility. Our Promoters, Bollineni Krishnaiah and Bollineni Seenaiah are the trustees of Bollineni Krishnaiah Charitable Trust.

28. Krishnaiah Projects Private Limited

Corporate Information

Krishnaiah Projects Private Limited was incorporated on June 17, 2007 under the Companies ActThe Company is engaged in the business to purchase, acquire, take on lease, promote, develop, improve, exchange any area, land, buildings, structure, and to turn the same into account, develop the same and dispose of or maintain the same for farming, establish and run farm houses, plantations, orchards, agriculture, horticulture, sericulture and sell. trade in the farm products, animal husbandry, dairy farming, fish, prawn and deal in real estate in all kinds.

The authorised share capital of Sri Krishnaiah Property Developers Private Limited is ₹ 25,00,000 divided into 2,50,000 equity shares of ₹ 10 each and the paid-up capital is ₹ 882,200 divided into 82,200 equity shares of ₹ 10 each.

Interests of the Promoters

Our Promoter, Bollineni Krishnaiah holds 0.01% of the issued and paid up capital of Krishnaiah Projects Private Limited. The remaining equity shares are held by other individuals.

29. BDL Housing Private Limited

Corporate *Information*

BDL Housing Private Limited was incorporated on December 26, 2007 under the Companies Act. BDL Housing Private Limited is engaged in the business of acquiring land with intention to develop the same by constructing civil structures. The authorised share capital of BDL Housing Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and the paid-up capital of BDL Housing Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Interests of the *Promoters*

Our Promoters do not have any direct shareholding in BDL Housing Private Limited. Bollineni Developers Limited holds 45% of the issued and paid up capital of BDL Housing Private Limited. The remaining equity shares of BDL Housing Private Limited is held by an individual.

30. Volera Imports & Exports

Volera Imports and Exports was established by the partnership deed dated March 6, 2006. The Partneship Deed was executed between Chebrolu Ashok & Bollineni Seenaiah. The main object of the partnership is to carry on the business of Tobacco Trading and Exporting. The Partneship may also carry on any other business as mutually decided by the partners from time to time.

31. Venkateswara Mining & Crushing

Venkateswara Mining & Crushing Company was established by the partnership deed dated October 5, 2006. The object of the –partnership is to purchase, acquire, take on lease, quarrying, crushing, establish, execute, carry out maintain, operate, improve, develop, administer, manage or control, any quarries, collaries, mines and deal with allied activities. The Partnership deed was executed between Sri Ganesh Nagaraj, Sri. K. Venkateswarlu, Sri Balu Nagaraj and Bollineni Seenaiah.

Other Confirmations

Our Promoters and Group Companies have confirmed that they have not been declared as wilful defaulters by the RBI or any other government 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 Promoters or Group Companies has been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Litigation

For details relating to the material legal proceeding involving the Promoters and Group Companies, see section titled "***Outstanding Litigation and Material Developments***" on page 293.

Common Pursuits

Some of our Group Companies namely Bollineni Developers Limited, Aishu Projects Limited, Sri BDL Properties Private Limited, BDL Projects Private Limited, Aishu Realtors Private Limited, BDL Arcades Private Limited, BDL Avenues Private Limited, BDL BeeKay Avenues Private Limited, BDL Home Fields Private Limited, BDL Infrastructure Private Limited, DNN Realtors Private Limited, Sri BDL Dhatri Developers Private Limited, Sri BDL Dreamlands Private Limited, Sri BDL Real Estates Private Limited, Sri BK and BS Realtors Private Limited, Sri BKN Estates Private Limited, Sri Krishnaiah Property Developers Private Limited, BDL Housing Private Limited and Seenaiah Constructions Private Limited have common pursuits and are involved in the business of development of land similar to ours within the real estate development sector. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise. For, further details on the related party transactions, to the extent of which the Company is involved, see section titled "***Related Party Transactions***" on page 239.

Nature and Extent of Interest of Group Companies

(a) ***In the promotion of the Company***

None of our Group Companies have any interest in the promotion of the Company.

(b) ***In the properties acquired or proposed to be acquired by the Company in the past two years before filing the Draft Red Herring Prospectus with SEBI***

None of our Group Companies are interested in the properties acquired or proposed to be acquired by the Company in the two years preceding the filing of the Draft 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 or construction of building by the Company or for supply of machinery to the Company.

Related business transactions within the Group Companies and significance on the financial performance of the Company

For details, see section titled "***Related Party Transactions***" on page 239.

Sale/Purchase between Group Companies, Subsidiaries, Joint Venture Companies, and our Company exceeding 10% of the total sales or purchases of our Company

For details, see section titled "***Related Party Transactions***" on page 239.

Business Interest of Group Companies in the Company

None of our Group Companies have any business interest in the Company. For futher details, see section titiled "***Related Party Transactions***" on page 239.

Defunct Group Companies

None of our Group Companies remain defunct and no application has been made to the jurisdictional Registrar of Companies for striking off the name of any of our Group Companies, during the five years preceding the date of filing the Draft Red Herring Prospectus with SEBI.

Sick Company

None of the Group Companies have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985 and no winding up proceedings have been initiated against them.

Public Issue or Rights Issue

In the last three years preceding the date of filing the Draft Red Herring Prospectus, none of our Group Companies has made any public or rights issue.

Loss making Group Companies

Cerain Group Companies have made losses in the immediately preceeding Fiscal. For details of these Group Companies, see section titled "***Risk Factors***" on page 22.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended our Board of Directors and approved by the shareholders at their discretion, subject to the provision of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, fund requirements and overall financial position of our Company. Our Company has no formal dividend policy**.** Our Board may also from time to time pay interim dividends and our Company has paid interim dividends in Decemeber 2006. In addition, our ability to pay dividends may be impacted by a number of other factors, including, restrictive covenants under the loan or financing documents we may enter into from time to time. For further details on restrictive covenants, see "***Financial Indebtedness***" on page 274.

RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants in India and as reported in the restated summary financial statements, see section titled "***Financial Statements – Annexure IV of Restated Unconsolidated Financial Statements – Related party transactions***" and ***"Financial Statements – Annexure IV of Restated Consolidated Financial Statements – Related party transactions***" on page 240.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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BSCPL Infrastructure Limited
Examination report on Restated Unconsolidated Summary Statements

Auditors' report as required by Part II of Schedule II to the Companies Act, 1956

The Board of Directors
BSCPL Infrastructure Limited
JIVI Towers, 8-2-502/1/A, Road No 7
Banjara Hills,
Hyderabad -500 034

Dear Sirs,

1. We have examined the Restated Unconsolidated Summary Statement of Assets and Liabilities as at September 30, 2012, March 31, 2012, 2011, 2010, 2009 and 2008 and Statement of Profit and Loss and Statement of Cash Flows for six month ended September 30, 2012 and for each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008 for BSCPL Infrastructure Limited (collectively the "Restated Unconsolidated Summary Statements") annexed to this report for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer ("IPO"). Such summary statements, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

   a) paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (the "Act"); and

   b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations) issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2. We have examined such restated unconsolidated summary statements taking into consideration:
   a) the terms of our engagement agreed with you vide our engagement letter dated November 26, 2012, requesting us to carry out work on such unconsolidated summary statements, proposed to be included in the offer document of the Company in connection with its proposed IPO; and

   b) the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an IPO as offer for sale by investors of equity shares of Rs.10 each at such premium, arrived at by the 100% book building process (referred to as the "Issue"), as may be decided by the Board of Directors of the Company.

4. The restated unconsolidated summary statements of the Company have been compiled by the management from:

   a) the audited unconsolidated financial statements of the Company as at and for the six months ended September 30, 2012 and audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2012, which have been jointly audited by us.

As indicated in the auditors' report on the unconsolidated financial statements referred to above, the unconsolidated financial statements for the six months ended September 30, 2012 and year ended March 31, 2012 includes the Company's share of profit (net of share in losses) aggregating Rs. 250.42 million and Rs. 303.43 million respectively from jointly controlled entities in which the Company is a co-venturer. The unconsolidated financial statements of these jointly controlled entities as at and for the six months ended September 30, 2012 and as at and for the year ended March 31, 2012 were audited and reported by other auditors whose reports were furnished to us and our opinions on the financial statements of the Company, in respect thereof, were solely based on the report of other auditors.

b) the audited unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2011, 2010 and 2009 which have been audited by the Company's previous joint auditors, Walker, Chandiok & Co. and Anjaneyulu & Co., whose auditors' reports on these financial statements have been relied upon by us.

   As indicated in the auditors' report on the unconsolidated financial statements referred to above, the unconsolidated financial statements for the years ended March 31, 2011, 2010 and 2009 include the Company's share of profit (net of share in losses) aggregating Rs. 571.56 million, Rs. 475.14 million and Rs. 301.24 million respectively from jointly controlled entities in which the Company is a co-venturer; the unconsolidated financial statements of these jointly controlled entities as at and for the years ended March 31, 2011, 2010 and 2009 were audited by other auditors whose reports were furnished to previous joint auditors and their opinions on the financial statements of the Company, in respect thereof, were solely based on the report of other auditors.

c) the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2008 which have been audited by the Company's earlier auditors, S.R. Batliboi & Associates (SRBA), whose auditors' report on the financial statements has been relied upon by us.

   As indicated in the auditors' report on the unconsolidated financial statements referred to above, the unconsolidated financial statements for the year ended March 31, 2008 include the Company's share of profit (net of share in losses) aggregating to Rs. 291.42 million from the jointly controlled entities in which the Company is a co-venturer; the unconsolidated financial statements of these jointly controlled entities as at and for the year ended March 31, 2008 were audited by other auditors whose reports were furnished to them and their opinion on the financial statements of the Company, in respect thereof, was solely based on the report of other auditors.

d) the audited unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2011, 2010 and 2009 prepared in accordance with accounting principles generally accepted in India at the relevant time but under the requirements of Revised Schedule VI of the Act, prepared for the purpose of presentation of the restated unconsolidated summary statements and approved by the Company in its board meetings held on February 21, 2013 all of which have been audited solely by Anjaneyulu & Co, and whose auditors' reports on these financial statements have been relied upon by us.

As indicated in the auditors' report on the unconsolidated financial statements referred to above, the unconsolidated financial statements for the years ended March 31, 2011, 2010 and 2009 include the Company's share of profit (net of share in losses) aggregating Rs. 571.56 million, Rs. 475.14 million and Rs. 301.24 million respectively from jointly controlled entities in which the Company is a co-venturer. The unconsolidated financial statements of these jointly controlled entities as at and for the years ended March 31, 2011, 2010 and 2009 were audited by other auditors whose reports were furnished to them and their opinions on the financial statements of the Company, in respect thereof, were solely based on the report of other auditors.

e) the audited unconsolidated financial statements of the Company as at and for the year ended March 31, 2008 prepared in accordance with accounting principles generally accepted in India at the relevant time but under the requirements of Revised Schedule VI of the Act, prepared for the purpose of presentation of the restated unconsolidated summary statements and approved by the Company in its board meeting held on February 21, 2013, which have been audited by SRBA, and whose auditors' report on the financial statements have been relied upon by us.

   As indicated in the auditors' report on the unconsolidated financial statements referred to above, the unconsolidated financial statements for the year ended March 31, 2008 include the Company's share of profit (net of share in losses) aggregating Rs. 291.42 million from jointly controlled entities in which the Company was a co-venturer. The unconsolidated financial statements of these jointly controlled entities as at and for the year ended March 31, 2008 were audited by other auditors whose reports were furnished to them and their opinion on the financial statements of the Company, in respect thereof, was solely based on the report of other auditors.

5. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the Regulations and terms of our engagement agreed with you, we report that:

   Read with paragraph 4 above, we have examined the restated unconsolidated summary statements of assets and liabilities of the Company as at September 30, 2012, March 31, 2012, 2011, 2010, 2009 and 2008 and the related restated unconsolidated summary statements of profits and losses and cash flows for six months ended September 30, 2012 and each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008 (collectively, the "Restated Unconsolidated Summary Statements") and as set out in Annexures I to III.

6. Based on our examination, our audit of the financial statements for the six months ended September 30, 2012 and year ended March 31, 2012 as referred to in paragraph 4(a) above and the reliance placed on the reports of the auditors as referred to in Paragraph 4(b), 4 (c), 4 (d) and 4(e) above to the extent applicable, we further report that:

   a) The restated unconsolidated profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in section 3.1 and 3.2 of Annexure IV.B to this report;

   b) The impact arising on account of changes in accounting policies adopted by the Company as at and for the six months ended September 30, 2012 is applied with retrospective effect in the restated unconsolidated summary statements;

   c) Adjustments for the material amounts in the respective financial years / period to which they relate have been adjusted in the attached restated unconsolidated summary statements;

d) There are no extraordinary items which need to be disclosed separately in the restated unconsolidated summary statements;

e) There are no qualifications in the auditors' reports on the unconsolidated financial statements of the Company as at and for the six months ended September 30, 2012, and each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008 which require any adjustments to the Restated Unconsolidated Summary Statements; and

f) Emphasis of matter in the unconsolidated statements which does not require any corrective adjustment in the restated unconsolidated summary statements, are as follows:

(i) Auditors' report on the financial statements for the six months ended September 30, 2012 included following emphasis of matter:

We draw attention to Note 31 of Notes to the financial statements for six months ended September 30, 2012 regarding claims amounting to Rs. 2,384.52 million outstanding as at September 30, 2012 including a sum of Rs. 75.03 million recognized as income during the current six months ended based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and being subject matter of arbitration/judiciary, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these financial statements. Our opinion is not qualified in respect of this matter.

(ii) Auditors' report on the financial statements for the year ended March 31, 2012 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 31 of Notes to the financial statements for the year ended March 31, 2012 regarding claims amounting to Rs. 2,309.49 million (March 31, 2011: Rs. 2,599.14 million) outstanding as at March 31, 2012 including a sum of Rs. 196.21 million (March 31, 2011: Rs. 941.46 million) recognized as income during the current year based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and being subject matter of arbitration/judiciary, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these financial statements.

(iii) Auditors' report on the financial statements for the year ended March 31, 2011 included following emphasis of matter:

(1) Without qualifying our opinion we draw attention to note 7 on Schedule 23 to the financial statements regarding claims amounting to Rs. 2,857.89 million (March 31, 2010: Rs. 1,716.38 million) outstanding as at March 31, 2011 including a sum of Rs. 941.46 million (March 31, 2010: Rs.787.69 million) recognised as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration, the Company has assessed the recoverability of these claims based on dispute resolution board, arbitration tribunal orders received and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full accordingly no adjustments have been made in these financial statements.

(2) Without qualifying our opinion we draw attention to note 14 on Schedule 23 to the financial statements, regarding management assessment of carrying value of its investment of Rs. 548.82 million in its wholly owned subsidiary, BSCPL International FZE, Dubai. On the basis of such assessment, management is of the opinion that the investment would be realized in full accordingly no adjustments have been made in these financial statements.

(3) Without qualifying our opinion we draw attention to note 15 on Schedule 23 to the financial statements regarding duty drawback claims amounting to Rs. 155.51 million outstanding as at March 31, 2011, including a sum of Rs.10.23 million recognised as income during the current year. The Company has assessed the recoverability of these claims based on legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full accordingly no adjustments have been made in these financial statements.

(iv) Auditors' report on the financial statements for the year ended March 31, 2010 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 6 on Schedule 23 to the financial statements regarding claims amounting to Rs. 1,716.38 million outstanding as at March 31, 2010, including a sum of Rs. 787.69 million recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitrations / dispute, the Company has assessed the recoverability of these claims based on arbitration orders received and legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly, no adjustments have been made in these financial statements.

(v) Auditors' report on the financial statements for the year ended March 31, 2009 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note no. 7 on Schedule 24 to the financial statements regarding claims recognised by the Company for an amount aggregating to Rs. 309.02 million based on the terms and conditions implicit in the contract. The Claims being technical in nature and being subject matter of arbitrations/dispute, the Company has, assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment the management is of the opinion that the claims are tenable and would be realized, accordingly no adjustments have been made in these financials in this regard.

(vi) Auditors' report on the financial statements for the year ended March 31, 2008 included following emphasis of matter:

Without qualifying our opinion we draw attention to Note no. 8 on Schedule 22 to the financial statements regarding certain claims recognized by the Company during the year ended March 31, 2007 for an amount aggregating to Rs. 182.79 million based on the terms and conditions implicit in the respective contract. The claims being technical in nature and being the subject matter of arbitrations/dispute, the Company has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment Management is of the opinion that the claims are tenable and the entire amounts recorded as income would be realized and accordingly, no adjustments have been made to these financial statements in this regard.

g) Qualifications in the annexure to the auditor's reports as required by the Companies (Auditor's Report) Order 2003 (as amended) ("CARO") which does not require any corrective adjustment in the restated unconsolidated summary statements, are as follows:

(i) Qualification in the report under CARO in relation to the financial statements for the year ended March 31, 2012:

a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though *there has been a slight delay in number of cases in respect of payment of tax deducted at source, professional tax, works contract tax, service tax and labour cess.*

(ii) Qualification in the report under CARO in relation to the financial statements for the year ended March 31, 2011:

a) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained, except an *amount of Rs. 614.30 million pending immediate utilization have been utilized towards general corporate purposes.*

(iii) Qualification in the report under CARO in relation to the financial statements for the year ended March 31, 2010:

a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities *though there have been significant delays in a few cases*. No undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(iv) Qualifications in the report under CARO in relation to the financial statements for the year ended March 31, 2009:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except in case of certain assets for which situation of assets and quantitative details are not updated.*

b) The Company has an internal audit system, *the scope and coverage of which, in our opinion requires to be further enhanced to be commensurate with the size and nature of its business.*

c) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a *slight delay in a few cases.* No undisputed amounts payable in respect of investor education and protection fund, employees' state insurance, income tax, sales tax, customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.

d) In our opinion, the Company has not defaulted in repayment of dues to a financial institution or debenture-holders during the year. In respect of dues to banks the Company has not defaulted in repayments *excepts delays as stated below:*

Name of bank	Rs. In million	Period of delay (days)
State Bank of Hyderabad	50.00	18
State Bank of Hyderabad	50.00	38
Andhra Bank	15.00	19

e) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained, *except for the utilization of the term loan amounting to Rs. 200.00 million. Pending utilization of the term loan for the stated purpose, the funds are temporarily transferred to the cash credit account, from where they are withdrawn for the purpose for which the loan was obtained.*

(v) Qualifications in the report under CARO in relation to the financial statements for the year ended March 31, 2008:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except for scaffolding material where the records are maintained for group of material and not for each individual asset.*

b) In our opinion and according to information and explanations given to us, the rate of interest and others terms and conditions for such loans are not prima facie prejudicial to the interest of the Company *except for two loans granted in earlier years whose maximum balance is Rs. 108.33 million and the closing balance as at March 31, 2008 is Rs. Nil which did not carry interest and accordingly such loans are prima facie prejudicial to the interests of the Company.*

c) The Company has an internal audit system, *the scope and coverage of which, in our opinion requires to be enlarged to be commensurate with the size and nature of its business.*

d) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess have been regularly deposited with the appropriate authorities *except for certain significant delays in the remittance of withholding taxes and certain slight delays in the remittance of provident fund dues and employees' state insurance.*

e) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture-holders *except delays as stated below:*

(Rs. in million)

Due to	Type	Principal (Rs)	Interest (Rs)	Period of delay (days)
UTI Bank	Debentures	16.67	-	3
UTI Bank	Debentures	16.67	-	10
UTI Bank	Debentures	-	1.04	5
UTI Bank	Debentures	-	1.07	9

7. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexure IV. B, and after making adjustments and re-groupings as considered appropriate and disclosed in Annexure IV. B – 3.1 and 3.2, have been prepared in accordance with Part II of Schedule II of the Act and the Regulations.

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2012. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2012.

Other Financial Information:

9. At the Company's request, we have also examined the following unconsolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the six months ended September 30, 2012, and as at and for each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008:

   i. Restated Unconsolidated Statement of Non Current Investments, enclosed as Annexure V
   ii. Restated Unconsolidated Statement of Current Investments, enclosed as Annexure VI
   iii. Restated Unconsolidated Statement of Trade Receivables – Non Current, enclosed as Annexure VII
   iv. Restated Unconsolidated Statement of Trade Receivables – Current, enclosed as Annexure VIII
   v. Restated Unconsolidated Statement of Long-term Loans and Advances and Other Non Current Assets, enclosed as Annexure IX
   vi. Restated Unconsolidated Statement of Short-term Loans and Advances and Other Current Assets, enclosed as Annexure X
   vii. Restated Unconsolidated Statement of Inventories, enclosed as Annexure XI
   viii. Restated Unconsolidated Statement of Long-term borrowings, enclosed as Annexure XII
   ix. Restated Unconsolidated Statement of Short Term Borrowings, enclosed as Annexure XIII
   x. Restated Unconsolidated Statement of Other Non Current liabilities, enclosed as Annexure XIV
   xi. Restated Unconsolidated Statement of Trade Payables and Other Current Liabilities, enclosed as Annexure XV
   xii. Restated Unconsolidated Statement of Other Income, enclosed as Annexure XVI
   xiii. Capitalisation Statement, as appearing in Annexure XVII
   xiv. Restated Unconsolidated Tax Shelter Statement, enclosed as Annexure XVIII
   xv. Restated Unconsolidated Statement of Dividend, enclosed as Annexure XIX
   xvi. Restated Unconsolidated Statement of Accounting Ratios, enclosed as Annexure XX

10. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as an opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **S R B C & CO**
Chartered Accountants
Firm Registration No:324982E

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place: Hyderabad
Date: February 21, 2013

For **Anjaneyulu & Co.**
Chartered Accountants
Firm Registration No: 000180S

per **D.V. Anjaneyulu**
Partner
Membership No. 021036

Place: Hyderabad
Date: February 21, 2013

Annexure - I

Restated Unconsolidated Summary Statement of Assets and Liabilities
[Amounts in Indian Rupees in Million, unless otherwise Stated]

	Particulars	As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
A.	**Non-current assets**						
	Fixed assets						
	Tangible assets	3,227.05	3,167.50	2,659.19	2,852.68	3,000.71	2,053.59
	Capital work-in-progress	89.21	37.41	523.82	382.22	590.04	724.00
	Non-current investments	8,769.15	7,910.07	6,153.18	3,255.55	2,286.09	1,668.83
	Long-term loans and advances	2,834.65	1,475.65	1,572.61	826.98	490.69	246.19
	Trade receivables	165.87	181.45	245.76	509.99	304.98	68.38
	Other non-current assets	2,464.81	2,411.39	2,164.30	1,721.32	862.18	841.05
		17,550.74	**15,183.47**	**13,318.86**	**9,548.74**	**7,534.69**	**5,602.04**
B.	**Current assets**						
	Current investments	0.87	1.13	1.50	2.68	1.38	2.21
	Inventories	2,646.94	3,040.54	2,990.22	2,961.90	2,746.03	2,024.61
	Trade receivables	898.36	709.53	739.60	736.81	825.82	371.48
	Cash and bank balances	233.67	421.56	568.73	355.56	378.58	506.71
	Short-term loans and advances	733.47	434.10	552.61	1,222.02	1,154.92	1,096.91
	Other current assets	357.44	285.56	178.63	220.27	164.13	95.81
		4,870.75	4,892.42	5,031.29	5,499.24	5,270.86	4,097.73
C.	**Total assets (C=A+B)**	**22,421.49**	**20,075.89**	**18,350.15**	**15,047.98**	**12,805.55**	**9,699.77**
D.	**Non-current liabilities**						
	Long-term borrowings	2,762.68	2,545.72	3,387.55	1,420.73	974.24	1,372.03
	Deferred tax liabilities (net)	113.67	131.37	208.04	264.50	279.41	248.95
	Other Non Current Liabilities	1,405.15	867.46	1,513.41	-	163.67	551.13
		4,281.50	**3,544.55**	**5,109.00**	**1,685.23**	**1,417.32**	**2,172.11**
E.	**Current liabilities**						
	Short-term borrowings	4,513.26	3,928.44	3,514.43	3,771.38	1,300.15	761.88
	Trade payables	1,118.26	809.74	495.79	857.70	796.96	475.26
	Other current liabilities	4,837.27	4,703.64	2,629.33	2,670.99	4,024.04	1,422.76
	Short-term provisions	66.14	56.16	21.84	18.81	5.86	8.75
		10,534.93	**9,497.98**	**6,661.39**	**7,318.88**	**6,127.01**	**2,668.65**
F.	**TOTAL (F=D+E)**	**14,816.43**	**13,042.53**	**11,770.39**	**9,004.11**	**7,544.33**	**4,840.76**
	Net Worth (C-F)	**7,605.06**	**7,033.36**	**6,579.76**	**6,043.87**	**5,261.22**	**4,859.01**
	Net Worth represented by						
	Shareholders' funds						
G.	Equity share capital	248.57	248.57	248.57	124.29	124.29	124.29
H.	Reserves and surplus						
	Securities premium	1,942.89	1,942.89	1,942.89	2,067.18	2,067.18	2,067.18
	General Reserve	1,265.56	1,265.56	1,265.56	1,265.56	1,182.71	1,180.47
	Debenture redemption reserve	-	-	-	-	82.85	-
	Housing project reserve	-	-	-	-	-	2.24
	Statement of Profit and loss	4,148.04	3,576.34	3,122.74	2,586.84	1,804.19	1,484.83
	Total Reserves and surplus	**7,356.49**	**6,784.79**	**6,331.19**	**5,919.58**	**5,136.93**	**4,734.72**
	Net Worth (G+H)	**7,605.06**	**7,033.36**	**6,579.76**	**6,043.87**	**5,261.22**	**4,859.01**

Note:
The above statement should be read with Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

As per our report of even date.

For **S R B C & CO**
Firm Registration No. 324982E
Chartered Accountants

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place : Hyderabad
Date : February 21, 2013

For **Anjaneyulu & Co**
Firm Registration No. 000180S
Chartered Accountants

per **D.V. Anjaneyulu**
Partner
Membership No. 021306

Place : Hyderabad
Date : February 21, 2013

For and on behalf of the Board of Directors
BSCPL Infrastructure Limited

B. Krishnaiah
Chairman

B. Seenaiah
Managing Director

AVBR Narasimham
Chief Financial Officer

B. S. Bhaskar
Company Secretary

Place : Hyderabad
Date : February 21, 2013

Annexure - II

Restated Unconsolidated Summary Statement of Profit and Loss
[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	For the six months ended September 30,	Year ended March 31,				
	2012	2012	2011	2010	2009	2008
Revenue from Operations						
Revenue from construction contracts	3,973.38	4,715.34	3,078.12	6,863.29	4,844.11	3,395.74
Revenue from Real estate development	1,065.75	2,032.53	1,573.36	-	-	-
Revenue from maintenance contract	245.33	114.75	-	-	-	-
Sale of metals	33.04	74.62	183.90	231.08	378.64	231.76
Revenue from operations (net)	**5,317.50**	**6,937.24**	**4,835.38**	**7,094.37**	**5,222.75**	**3,627.50**
Other income	121.55	203.07	320.83	412.70	295.00	332.31
Total (I)	**5,439.05**	**7,140.31**	**5,156.21**	**7,507.07**	**5,517.75**	**3,959.81**
Expenses:						
Cost of raw material and components consumed	1,720.15	1,579.22	1,615.44	3,240.40	2,181.06	1,574.26
(Increase)/decrease in inventories of work-in-progress, real estate under development and finished goods	262.72	52.44	60.34	(496.66)	(695.62)	(418.39)
Subcontract expenses	487.45	989.82	439.48	750.90	812.55	453.19
Employee benefits expense	488.74	884.42	654.44	728.67	652.70	410.06
Other expenses	1,148.50	1,739.70	1,087.22	1,611.73	1,533.44	1,148.10
Total (II)	**4,107.56**	**5,245.60**	**3,856.92**	**5,835.04**	**4,484.13**	**3,167.22**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)	**1,331.49**	**1,894.71**	**1,299.29**	**1,672.03**	**1,033.62**	**792.59**
Depreciation and amortization expense	258.99	504.01	455.22	432.82	318.84	229.86
Finance costs	593.40	1,162.21	912.40	767.18	532.16	325.49
Restated profit before tax	**479.10**	**228.49**	**(68.33)**	**472.03**	**182.62**	**237.24**
Tax expenses/ (credit)						
Current tax	175.52	155.49	23.85	178.99	48.83	75.45
Deferred tax	(17.70)	(76.67)	(56.46)	(14.91)	30.46	(11.41)
Total tax expense	**157.82**	**78.82**	**(32.61)**	**164.08**	**79.29**	**64.04**
Restated Profit after tax	**321.28**	**149.67**	**(35.72)**	**307.95**	**103.33**	**173.20**
Company's share in profit of integrated joint ventures (net) after tax	250.42	303.93	571.62	474.70	298.88	291.42
Restated Profit	**571.70**	**453.60**	**535.90**	**782.65**	**402.21**	**464.62**

Note:
The above statement should be read with Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

As per our report of even date.

For S R B C & CO
Firm Registration No. 324982E
Chartered Accountants

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place : Hyderabad
Date : February 21, 2013

For Anjaneyulu & Co
Firm Registration No. 000180S
Chartered Accountants

per D.V. Anjaneyulu
Partner
Membership No. 021306

Place : Hyderabad
Date : February 21, 2013

For and on behalf of the Board of Directors
BSCPL Infrastructure Limited

B. Krishnaiah
Chairman

B. Seenaiah
Managing Director

AVBR Narasimham
Chief Financial Officer

B. S. Bhaskar
Company Secretary

Place : Hyderabad
Date : February 21, 2013

Annexure - III

Restated Unconsolidated Summary Statement of Cash Flows
[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
A. Cash flow from operating activities						
Profit before tax and share in profits of integrated joint ventures	479.10	228.49	(68.33)	472.03	182.62	237.24
Adjustments for:						
Depreciation and amortization	258.99	504.01	455.22	432.82	318.84	229.86
Impairment loss on fixed assets	-	35.42	-	-	-	-
Fixed assets written off	-	-	-	10.90	-	-
Loss/ (Profit) on sale of fixed assets	0.12	5.69	(1.05)	1.45	0.85	1.52
Bad debts/Advances written off	0.57	24.35	11.33	1.08	10.68	38.72
Duty draw back claim receivable written off	-	33.96	33.34	-	-	-
Provision for defect liability expense	10.98	16.65	-	12.50	-	-
Provision for diminution other than temporary in the carrying value of long term investment (net)	-	14.00	-	6.00	-	-
Provision for doubtful receivables and advances	-	31.43	-	-	-	-
Reversal of diminution in the value of current investments	-	-	-	(1.30)	-	-
Diminution in the value of current investments	0.26	0.37	1.06	-	2.29	0.91
Profit on disposal of current investments	-	-	(1.02)	-	-	(15.49)
Dividend Income	-	-	-	-	-	(0.72)
Interest income	(84.70)	(171.67)	(126.74)	(101.66)	(144.49)	(143.97)
Interest expense	553.34	1,030.04	835.32	686.18	451.21	271.40
Operating profit before working capital changes	**1,218.66**	**1,752.74**	**1,139.13**	**1,520.00**	**822.00**	**619.47**
(Increase) / decrease in inventories	393.60	(50.32)	(28.32)	(215.87)	(721.42)	(696.74)
(Increase) / decrease in trade receivables	(173.26)	55.14	250.12	(117.08)	(701.61)	(90.44)
(Increase)/ decrease in non current loans and advances	(6.66)	(55.39)	(68.62)	(15.83)	(11.96)	(2.74)
(Increase)/ decrease in current loans and advances	(98.36)	70.36	198.29	(119.92)	(94.40)	(28.87)
(Increase)/ decrease in other current assets	(66.82)	(95.86)	(149.47)	(19.36)	(4.32)	(5.30)
(Increase)/ decrease in other non current assets	21.62	(125.08)	(291.20)	(820.13)	26.01	4.47
Increase/ (decrease) in short term provisions	(0.97)	17.67	2.98	0.49	(2.91)	(3.38)
Increase/ (decrease) in trade payables	308.52	312.68	(397.89)	60.74	321.70	116.13
Increase/ (decrease) in non current liabilities	537.69	(645.94)	1,513.41	(163.67)	(387.46)	551.13
Increase/ (decrease) in current liabilities	(232.06)	1,293.34	528.10	(211.39)	796.67	(391.52)
Cash generated/ (used in) from operations	**1,901.96**	**2,529.34**	**2,696.53**	**(102.02)**	**42.30**	**72.21**
Direct taxes paid (net of refunds)	(76.45)	(278.09)	(113.62)	(114.55)	(114.30)	(88.79)
Net cash from/ (used in) operating activities	**1,825.51**	**2,251.25**	**2,582.91**	**(216.57)**	**(72.00)**	**(16.58)**
B. Cash flow from investing activities						
Additions to fixed assets	(341.56)	(573.10)	(445.70)	(137.57)	(1,037.69)	(1,001.42)
(Investment)/ withdrawal in fixed deposits (net)	(21.18)	(28.09)	(1.48)	56.79	54.14	159.64
Proceeds from sale of fixed assets	1.79	3.41	16.63	13.90	2.60	13.06
Proceeds from sale of Investments	-	-	1.13	-	-	24.67
Purchase of investments in non current investments (including share application money pending allotment)	(1,806.59)	(1,079.95)	(2,876.97)	(926.64)	(539.03)	(840.71)
Loans and advances (to)/ from related parties (net)	(445.22)	(135.82)	437.78	52.81	36.39	(383.93)
Dividend income received	-	-	-	-	-	0.72
Interest received	4.60	38.59	166.08	25.87	33.35	55.33
Net cash used in investing activities	**(2,608.16)**	**(1,774.96)**	**(2,702.53)**	**(914.84)**	**(1,450.24)**	**(1,972.64)**

C. Cash flow from financing activities						
Proceeds from long term borrowings	1,238.75	746.23	3,250.00	1,869.09	2,048.19	1,142.48
Repayment from long term borrowings	(699.16)	(796.16)	(1,844.06)	(2,553.94)	(756.76)	81.42
Proceeds/ (repayment) from short term borrowings (net)	584.82	414.01	(256.95)	2,471.23	538.27	(76.84)
Proceeds from issue of share capital	-	-	-	-	-	1,250.00
Interest paid	(550.83)	(1,015.63)	(817.68)	(621.21)	(381.45)	(266.51)
Net cash from/ (used in) financing activities	**573.58**	**(651.55)**	**331.31**	**1,165.17**	**1,448.25**	**2,130.55**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(209.07)**	**(175.26)**	**211.69**	**33.76**	**(73.99)**	**141.33**
Cash and cash equivalents at the beginning of the period/ year	**288.55**	**463.81**	**252.12**	**218.36**	**292.35**	**151.02**
Cash and cash equivalents at the end of the period/ year	**79.48**	**288.55**	**463.81**	**252.12**	**218.36**	**292.35**

Components of cash and bank balances	**As at September 30,**	**As at March 31,**				
	2012	**2012**	**2011**	**2010**	**2009**	**2008**
Cash and cash equivalents						
Cash on hand	17.69	10.34	6.67	10.77	9.65	9.53
Balances with banks						
- on current accounts	19.84	50.80	453.42	240.26	165.33	163.58
- Deposits with original maturity of less than three months	-	31.43	0.27	1.10	43.37	119.23
- Deposits with original maturity for more than 12 months	80.11	96.58	83.46	98.41	97.88	132.52
- Deposits with original maturity for more than 3 months but less than 12 months	51.57	5.59	4.96	5.02	62.35	81.85
- Deposits with original maturity of less than three months under lien	22.52	30.84	16.50	-	-	-
Cheques on hand	41.94	195.98	3.45	-	-	-
Total cash and cash equivalents	**233.67**	**421.56**	**568.73**	**355.56**	**378.58**	**506.71**
Less: Fixed deposits considered as restricted cash	154.19	133.01	104.92	103.44	160.22	214.36
Total Cash and bank balances	**79.48**	**288.55**	**463.81**	**252.12**	**218.36**	**292.35**

Notes:

1. The above statement should be read with Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.
2. Restated Unconsolidated Cash Flow statement has been prepared under the 'Indirect method' as set out in Accounting Standard -3 on Cash Flow Statements as notified by Companies (Accounting Standards) Rules, 2006.
3. Profit from integrated jointly controlled entities, considered as non cash item for the purposes of this cash flow statement.

As per our report of even date.

For **S R B C & CO**
Firm Registration No. 324982E
Chartered Accountants

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place : Hyderabad
Date : February 21, 2013

For **Anjaneyulu & Co**
Firm Registration No. 000180S
Chartered Accountants

per **D.V. Anjaneyulu**
Partner
Membership No. 021306

Place : Hyderabad
Date : February 21, 2013

For and on behalf of the Board of Directors
BSCPL Infrastructure Limited

B. Krishnaiah
Chairman

B. Seenaiah
Managing Director

AVBR Narasimham
Chief Financial Officer

B. S. Bhaskar
Company Secretary

Place : Hyderabad
Date : February 21, 2013

ANNEXURE IV: NOTES TO THE RESTATED UNCONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

A. BACKGROUND

1. BSCPL Infrastructure Limited ('the Company' or 'BSCPL') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in the business of infrastructure development and execution of engineering, procurement and construction (EPC) facilities in various infrastructure projects in roads, large scale bridge works and irrigation for Central / State Governments, other local bodies and private sector. The Company is also executing a real estate project in Chennai.

2. The restated unconsolidated summary statement of assets and liabilities of the Company as at September 30, 2012, March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 and the related restated unconsolidated summary statement of profit and loss and cash flows for the six months ended September 30, 2012 and years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 [hereinafter collectively referred to as 'Restated unconsolidated summary statements')] have been extracted by the management from the audited financial statements of the Company for the six months ended September 30, 2012 and years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 for inclusion in the Draft Red Herring Prospectus ("DRHP") to be filed with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offering ("IPO") of equity shares having a face value of Rs.10 each at an issue price to be arrived at by a book building process (the 'Issue').

   The restated unconsolidated summary statements have been prepared to comply in all material respects with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines"), as amended from time to time.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION OF FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2012.

1. Basis of preparation of financial statements

The restated unconsolidated summary statements have been prepared by applying the necessary adjustments to the financial statements of BSCPL Infrastructure Limited. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting under the Companies Act, 1956 and the accounting principles generally accepted in India ('Indian GAAP') and comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006, (as amended), to the extent applicable. The accounting policies have been consistently applied by the Company and are consistent with those used for the purpose of preparation of financial statements as at and for the six months ended September 30, 2012.

Presentation and disclosure of financial statements

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has presented the financial statements as at September 30, 2012, March 31, 2012 and for the period/year then ended respectively along with the comparatives as at March 31, 2011 and for the year then ended following the requirement of revised Schedule VI. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures pertaining to year ended March 31, 2010, March 31, 2009 and March 31, 2008 in accordance with the requirements of revised Schedule VI.

The Company has prepared these restated unconsolidated Summary Statements along with related notes in accordance with the requirements of the Guidance Note on revised Schedule VI and has reclassified previous year figures accordingly.

2. Summary of Significant Accounting Policies

a. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP which requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

b. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation/amortization and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

From accounting periods commencing on or after December 07, 2006, the Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Assets retired from active use and held for disposal are stated at their estimated net realizable values or net book values, whichever is lower.

c. Depreciation / amortization on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which coincides with the corresponding rates prescribed under Schedule XIV to the Companies Act, 1956, except the following:

i. Leasehold improvements are amortized over the period of the lease or estimated useful life, whichever is lower i.e. 7 years,
ii. Temporary erections in the form of sheds, camps, etc., are depreciated over the period of the respective project i.e. 3 years, and
iii. Shuttering materials are depreciated over a period of 6 years.

Individual assets not exceeding Rs. 5,000 have been fully depreciated in the period/ year of purchase.

d. Leases

Where the Company is lessee
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor
Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

e. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset (including real estate project) that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/ inventorized as part of the cost of the respective asset/ project. All other borrowing costs are expensed in the period they occur.

f. Impairment of tangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h. Inventories

(i) Materials and stores and spares are valued at lower of cost and net realizable value. Cost of raw materials and stores and spares is determined on first-in-first out basis.

(ii) Construction work-in-progress related to project and construction is valued at cost till such time the outcome of the related project is ascertained reliably and at contractual rates thereafter.

(iii) Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods is determined on a first-in-first out basis.

(iv) Real estate under development related to project works is valued at lower of cost and net realizable value, till such time the outcome of the related project is ascertained reliably and at cost thereafter. Cost includes cost of land, cost of materials, borrowing costs to the extent it relates to specific project and other related project overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Accounting Standard (AS) 7 "Construction Contracts" notified by the Companies Accounting Standards Rules, 2006 (as amended). Percentage of completion is determined on the basis of survey of work performed. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for. The effect of any adjustment arising from revisions to estimates is included in the statement of profit and loss of the period in which the revisions are made.

Price escalation and other claims and /or variation in the contract work are included in contract revenue only when:

- Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
- The amount that is probable will be accepted by the customer can be measured reliably.

(ii) Revenue from sale of metal and aggregates is recognized when significant risk and reward of ownership of the goods have passed to the buyer, i.e. usually on delivery of goods.

(iii) Revenue from real estate under development is recognized upon transfer of significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the agreement for sale and when the buyer's investment is adequate enough to demonstrate a commitment to pay.

In accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the Institute of Chartered Accountants of India (the "ICAI") the Revenue from sale of residential and commercial properties is recognized on the "percentage of completion method". Percentage of completion is determined on the basis of actual project cost (excluding cost of land) incurred thereon to total estimated project cost, where the actual cost is 25 percent or more of the total estimated project cost. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

(iv) Revenue from maintenance contract is recognized on accrual basis and billed as per the terms of the specific contract.

(v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

j. Accounting for Joint Ventures

Accounting for Joint Ventures undertaken by the Company has been done in accordance with the requirements of AS – 27 "Financial Reporting of Interests in Joint Venture" notified by the Companies Accounting Standard Rules, 2006 (as amended) as follows:

(i) **Jointly Controlled Operations:**
In respect of Joint venture contracts which are executed under work sharing arrangements, the Company's share of revenues, expenses, assets and liabilities are included in the financial statements as revenues, expenses, assets and liabilities respectively.

(ii) **Jointly Controlled Entities:**
Investments made in un-incorporated integrated joint ventures in the form of Association of Persons (AOP) are classified as Jointly Controlled Entities in terms of Accounting Standard (AS) – 27 "Financial Reporting of Interest in Joint Venture" notified by the Companies Accounting Standard Rules, 2006 (as amended) and Company's share in profit/ losses of the respective entities is recognized in the financial statements. The net investment in the joint ventures is reflected as non current investment. Dividend income from incorporated joint ventures is accounted when the right to receive dividend is established.

k. Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

From accounting period commencing on or after December 07, 2006, the Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the Company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- All other exchange differences are recognized as income or as expenses in the period in which they arise.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(v) Translation of integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

l. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the period/ year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

The Company operates a defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each period end/ year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Short term leave encashment is provided for based on estimates. Since the Company does not have an unconditional right to defer its settlement for 12 months after the reporting date the Company presents the liability as short term provisions.

m. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current period/year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present values 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.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

p. Contingent liabilities

A contingent liability as defined under AS 29 – "Provisions, Continent Liabilities and Contingent Assets" notified by the Companies Accounting Standard Rules, 2006 (as amended), is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

q. Cash and cash equivalents

Cash and cash equivalents for the purposes of restated unconsolidated cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

r. Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

s. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

3. MATERIAL ADJUSTMENTS:

3.1 Summary of results of restatements made in the audited financial statements of the Company for the respective period/ year and their impact on the net profit of the Company is as under:

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
(i) Net Profit as per audited financial statements	**571.70**	**384.09**	**528.10**	**810.52**	**473.09**	**437.43**
(ii) Adjustments due to change in accounting policies						
(Increase)/ Decrease in profit due to change in revenue recognition policy for real estate operations [Refer Note (3.1.1) below]	-	462.29	(462.29)	-	-	-
(Increase)/ Decrease in profit on account of the effects of Changes in foreign exchange rates [Refer Note (3.1.2) below]	-	-	-	-	1.83	-
(iii)Prior Period adjustments (Increase)/ Decrease in profit on account of prior period adjustments [Refer Note (3.1.3) below]	-	(520.22)	449.65	49.31	98.26	(12.03)
(iv) Taxes of earlier years (Increase)/ Decrease in profit on account of taxes of earlier years adjustments [Refer Note (3.1.4) below]	-	(30.38)	0.64	(4.68)	3.27	(19.25)
Net (increase)/ decrease in profit after adjustments	**-**	**(88.31)**	**(12.00)**	**44.63**	**103.36**	**(31.28)**
(v) Tax impact of adjustments (Increase)/ Decrease in profit on account of tax impact on adjustments						
Current Tax	-	18.80	4.20	37.51	(51.18)	(6.72)
Deferred Tax	-	-	-	(54.27)	18.70	10.81
Net (increase)/ decrease in profit on account of tax impact	**-**	**18.80**	**4.20**	**(16.76)**	**(32.48)**	**4.09**
Restated profit after tax (i-ii-iii-iv-v)	**571.70**	**453.60**	**535.90**	**782.65**	**402.21**	**464.62**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

3.1.1 Change in revenue recognition policy for real estate operations

During the year ended March 31, 2012, the Company has changed the accounting policy for revenue recognition from sale of real estate properties from completed contract basis to percentage of completion method. The revenue and corresponding increase/ decrease in the inventories appearing in the audited financial statements for the years ended March 31, 2012 and March 31, 2011 have been restated to provide for the impact in each of the respective financial years due to the above change in the accounting policy.

3.1.2 The effects of changes in foreign exchange rates

Pursuant to the GSR notification 225 (E) issued by Ministry of Corporate Affairs, dated March 31, 2009, the Company has adopted the amendment to AS-11 "The effects of Changes in foreign exchange rates" effective retrospectively for accounting period beginning on or after 7 December 2006. Consequent to this notification, the exchange difference arising on restatement of long term foreign currency monetary items at rates different from at which they were initially recorded or reported in the previous financial statements are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" or adjusted against the carrying value of related fixed assets and the same are amortized and depreciated over the balance period of such long term asset/liability or over a period up to March 31, 2020 respectively.

Consequent upon the change in accounting policy and in accordance with the transitional provisions of the accounting standard, an amount of Rs. 1.83 Million was adjusted against the opening balance of statement of profit and loss with a corresponding adjustment in the carrying value of related fixed assets as at March 31, 2007 (Refer note 3.2.2).

3.1.3 Prior period items

In the audited financial statements of the Company for the six months ended September 30, 2012 and years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008, the Company has disclosed certain items as prior period items. Accordingly, in the preparation of the Restated unconsolidated Summary Statements, the effect of these prior period items has been appropriately adjusted to the results of the respective year/ period to which these items pertain with a corresponding restatement of the respective assets/liabilities.

Given below is a summary of such prior period adjustments:

Particulars	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Revenue from Operations	-	(471.54)	426.69	(28.37)	73.21	-
Other income	-	(13.85)	41.76	(18.77)	(4.32)	(4.81)
Cost of raw material and components consumed	-	-	-	(18.91)	12.21	6.70
Employee benefits expense	-	-	0.04	(6.09)	2.91	2.85
Subcontract expenses	-	(3.21)	(6.33)	(29.82)	27.72	4.15
Other expenses (net)	-	2.00	(7.60)	(17.88)	11.60	11.80
Finance costs	-	(33.62)	(4.91)	9.48	29.95	(0.91)
Depreciation and amortization expense	-	-	-	159.67	(55.02)	(31.81)
Total: Prior period (income)/ expense	**-**	**(520.22)**	**449.65**	**49.31**	**98.26**	**(12.03)**

3.1.4 Income tax adjustments of earlier years

Short or excess provision of income taxes provided in each of the accounting year has been adjusted in the respective financial years for which the taxes were under provided.

3.1.5 Tax impact on adjustments

In the preparation of the Restated unconsolidated Summary Statements, the Company has made adjustments for the current tax and deferred tax impact of the items as per Para 3.1.1 to 3.1.3 above in the respective years/ period to which these items pertain.

3.2 Material regroupings

3.2.1 Appropriate adjustments have been made in the restated unconsolidated summary statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the six months ended September 30, 2012, prepared in accordance with revised Schedule VI, and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended).

3.2.2 Restatement adjustments made in the audited opening balance figure in the net surplus in the statement of profit and loss as at March 31, 2007:

Particulars	Amount
Statement of Profit and loss as at April 01, 2007 (audited)	1,025.96
Adjustments on account of prior period items(net of tax)	(7.58)
Adjustments on account of change in accounting policy	1.83
Statement of Profit and loss as at April 01, 2007 (restated)	**1,020.21**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

3.3 NON ADJUSTING ITEMS

Audit qualifications for the respective years/ period, which do not require any corrective adjustments in the restated unconsolidated summary statements as follows:

(a) Modifications in the Auditors Report:

i. Auditors' report for the six months ended September 30, 2012 included the following emphasis of matter:

We draw attention to Note 31 of Notes to the financial statements for the six months ended September 30, 2012 regarding claims amounting to Rs. 2,384.52 Million outstanding as at September 30, 2012 including a sum of Rs. 75.03 Million recognized as income during the current six months period based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly, no adjustments have been made in these financial statements. Our opinion is not qualified in respect of this matter.

Text of note 31 to the Notes of the audited unconsolidated financial statements for the six months ended September 30, 2012

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,384.52 Million (March 31, 2012: Rs. 2,309.49 Million) including a sum of Rs. 75.03 Million (Claims accounted amounting to Rs. Nil and interest on claims amounting to Rs. 75.03 Million) recognized as income during the current period. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

ii. Auditors' report for the year ended March 31, 2012 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 31 of Notes to the financial statements for the year ended March 31, 2012 regarding claims amounting to Rs. 2,309.49 million (March 31, 2011: Rs. 2,599.14 million) outstanding as at March 31, 2012 including a sum of Rs. 196.21 million (March 31, 2011: Rs. 941.46 million) recognized as income during the current year based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these financial statements.

Text of note 31 to the Notes of the audited unconsolidated financial statements for the year ended March 31, 2012.

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,309.49 million (March 31, 2011: Rs. 2,599.14 million) including a sum of Rs. 196.21 million (Claims accounted amounting to Rs. 51.73 million and interest on claims amounting to Rs. 144.48 million) [March 31, 2011: Rs. 941.46 million (Claims amounting to Rs. 789.73 million, interest on claims amounting to Rs. 126.39 million and prior period interest amounting to Rs. 25.34 million)] recognized as income during the current year. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

iii. Auditors' report for the year ended March 31, 2011 included the following emphasis of matter:

a. Without qualifying our opinion, we draw attention to note 7 on Schedule 23 to the financial statements for the year ended 31 March 2011 regarding claims amounting to Rs. 2,857.89 million (31 March 2010: Rs. 1,716.38 million) outstanding as at 31 March 2011 including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration, the Company has assessed the recoverability of these claims based on dispute resolution board, arbitration tribunal orders received and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full. Accordingly, no adjustments have been made in these financial statements.

Text of note 7 on Schedule 23 of the audited unconsolidated financial statements for the year ended March 31, 2011.

"Sundry debtors and Loans and advances as at 31 March 2011 include claims aggregating to Rs. 2,599.14 million (31 March 2010: Rs. 1,716.38 million) and Rs. 258.75 million respectively (31 March 2010: Nil) respectively including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year. The Company has preferred such claims based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

b. Without qualifying our opinion we draw attention to note 14 on Schedule 23 to the financial statements for the year ended 31 March 2011, regarding management assessment of carrying value of its investment of Rs. 548.82 million in its wholly owned subsidiary, BSCPL International FZE, Dubai. On the basis of such assessment, management is of the opinion that the investment would be realized in full. Accordingly, no adjustments have been made in these financial statements.

Text of note 14 on Schedule 23 of the audited unconsolidated financial statements for the year ended March 31, 2011.

"As at 31 March 2011 the Company has invested amounts aggregating to Rs. 548.82 million (31 March 2010: Rs. 497.10 million) in its wholly owned subsidiary BSCPL International FZE ("BFZE"), for development of a residential apartment in Dubai through a joint venture with a local construction company. The construction activities have been temporarily suspended due to current market conditions. Based on an independent evaluation of current economic and market conditions, the management believes that there are convincing evidences of overall improvement in the market and realization thereof. Further, the Company is committed to provide continued support to complete the project and recover its investment."

c. Without qualifying our opinion we draw attention to note 15 on Schedule 23 to the financial statements regarding duty drawback claims amounting to Rs. 155.51 million outstanding as at 31 March 2011, including a sum of Rs. 10.23 million recognised as income during the current year. The Company has assessed the recoverability of these claims based on legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full accordingly no adjustments have been made in these financial statements.

Text of note 15 on Schedule 23 of the audited unconsolidated financial statements for the year ended March 31, 2011.

"Loans and advances as at 31 March 2011 include certain duty drawback claims aggregating to Rs. 155.51 million (31 March 2010: Rs. 210.83 million) including a sum of Rs. 10.23 million (31 March 2010: Rs. 130.89 million) recognised as income during the current year. Such claims represent refunds of excise duty paid on purchase of inputs for certain projects which are funded by notified institutions under the Central Excise Act, 1944. During the year, the Company has received a correspondence from the department of central excise and customs clarifying that certain input materials do not qualify for refund of excise duty under the duty draw back scheme. The Company, based on past experience and opinion of an independent legal counsel, is confident of realizing the claims outstanding as on 31 March 2011."

iv. Auditors' report for the year ended March 31, 2010 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 6 on Schedule 23 to the financial statements for the year ended 31 March 2010 regarding claims amounting to Rs. 1,716.38 million outstanding as at 31 March 2010, including a sum of Rs. 787.69 million recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitrations / dispute, the Company has assessed the recoverability of these claims based on arbitration orders received and legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly, no adjustments have been made in these financial statements.

Text of note 6 on Schedule 23 of the audited unconsolidated financial statements for the year ended March 31, 2010.

"Sundry debtors as at 31 March 2010 include certain claims aggregating to Rs. 1,716.38 million (previous year: Rs. 928.68 million) including a sum of Rs. 787.69 million recognised as income during the current year. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exists no uncertainty as to ultimate collection."

v. Auditors' report for the year ended March 31, 2009 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note no. 7 on Schedule 24 regarding claims recognised by the Company for an amount aggregating to Rs. 309.02 million based on the terms and conditions implicit in the contract. The Claims being technical in nature and being subject matter of arbitrations/dispute, the Company has, assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment the management is of the opinion that the claims are tenable and would be realized, accordingly no adjustments have been made in these financials in this regard.

Text of note 7 on Schedule 24 of the audited unconsolidated financial statements for the year ended March 31, 2009.

"Sundry debtors as at 31 March 2009 include certain claims aggregating to Rs. 309.02 million (2008: Rs. 182.79 million), recognized in the earlier years. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exists no uncertainty as to ultimate collection."

vi. Auditors' report for the year ended March 31, 2008 included the following emphasis of matter:

Without qualifying our opinion we draw attention to Note no. 8 on Schedule 22 regarding certain claims recognized by the Company during the year ended March 31, 2007 for an amount aggregating to Rs. 182.79 million based on the terms and conditions implicit in the respective contract. The claims being technical in nature and being the subject matter of arbitrations/dispute, the Company has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment Management is of the opinion that the claims are tenable and the entire amounts recorded as income would be realized and accordingly, no adjustments have been made to these financial statements in this regard.

Text of note 8 on Schedule 22 of audited unconsolidated financial statements for the year ended March 31, 2008:

"Sundry debtors as at March 31, 2008 include certain claims aggregating to Rs. 182.79 million (March 31, 2007– Rs. 845.52 million), recognized in the earlier years. The Company has preferred such claim based on the terms & conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration / dispute, to the company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

(b) CARO qualifications

CARO qualifications for the respective periods, which do not require any corrective adjustment in the Restated unconsolidated summary statements of the Company, are as follows:

i. Financial year ended March 31, 2012

a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though *there has been a slight delay in number of cases in respect of payment of tax deducted at source, professional tax, works contract tax, service tax, sales tax and labour cess.*

ii. Financial year ended March 31, 2011

a) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained, except an *amount of* Rs. *614.30 million pending immediate utilization have been utilized towards general corporate purposes.*

iii. Financial year ended March 31, 2010

a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities *though there have been significant delays in a few cases.* No undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

iv. Financial year ended March 31, 2009

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except in case of certain assets for which situation of assets and quantitative details are not updated.*

b) The Company has an internal audit system, *the scope and coverage of which, in our opinion requires to be further enhanced to be commensurate with the size and nature of its business.*

c) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a *slight delay in a few cases.* No undisputed amounts payable in respect of investor education and protection fund, employees' state insurance, income tax, sales tax, customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.

d) In our opinion, the Company has not defaulted in repayment of dues to a financial institution or debenture-holders during the year. *In respect of dues to banks the Company has not defaulted in repayments excepts delays as stated below:*

Name of bank	Amount	Period of delay (days)
State Bank of Hyderabad	50.00	18
State Bank of Hyderabad	50.00	38
Andhra Bank	15.00	19

e) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained, *except for the utilization of the term loan amounting to* Rs. *200.00 million. Pending utilization of the term loan for the stated purpose, the funds are temporarily transferred to the cash credit account, from where they are withdrawn for the purpose for which the loan was obtained.*

v. Financial year ended March 31, 2008

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets *except for scaffolding material where the records are maintained for group of material and not for each individual asset.*

b) In our opinion and according to information and explanations given to us, the rate of interest and others terms and conditions for such loans are not prima facie prejudicial to the interest of the Company *except for two loans granted in earlier years whose maximum balance is* Rs. *108.33 million and the closing balance as at March 31, 2008 is Nil which did not carry interest and accordingly such loans are prima facie prejudicial to the interests of the Company.*

c) The Company has an internal audit system, *the scope and coverage of which, in our opinion requires to be enlarged to be commensurate with the size and nature of its business.*

All amounts expressed in Indian Rupees in Million unless otherwise expressed

d) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess have been regularly deposited with the appropriate authorities *except for certain significant delays in the remittance of withholding taxes and certain slight delays in the remittance of provident fund dues and employees' state insurance.*

e) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture-holders *except delays as stated below:*

Due to	Type	Principal	Interest	*Period of delay (days)*
UTI Bank	*Debentures*	*16.67*	-	*3*
UTI Bank	*Debentures*	*16.67*	-	*10*
UTI Bank	*Debentures*	-	*1.04*	*5*
UTI Bank	*Debentures*	-	*1.07*	*9*

4. OTHER SIGNIFICANT NOTES:

4.1 Secured Loans as at September 30, 2012

Indian Rupee Term Loans

(a) ICICI Bank – Rs. 1,093.75 Million

- Loan from ICICI Bank carries interest @ 14.50% p.a. and shall be repaid in 8 equal quarterly installments of Rs. 156.25 Million each commencing after a principal moratorium of 24 months from the date of disbursement of loan.
- The loan is secured by:
  - Subservient charge on the current assets of the Company.
  - Pledge of equity shares of BSCPL Godhra Tollways Limited ("BGTL") SPV of the Company to the extent of 20% of the paid up equity share capital of BGTL.
  - Pledge of promoters equity shares in BSCPL Infrastructure Limited to the extent of 10% of the paid up equity share capital of the Company.
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

(b) Axis Bank – Rs. 1,300.00 Million

- Loan from Axis Bank carries interest @ 13.50% p.a. and shall be repaid in 8 quarterly installments commencing from January 31, 2012.
- The loan is secured by:
  - Subservient charge on the moveable fixed assets and current assets of the Company.
  - Pledge of equity shares of BSCPL Godhra Tollways Limited ("BGTL") SPV of the Company to the extent of 20% of the paid up equity share capital of BGTL.
  - Pledge of promoters equity shares in BSCPL Infrastructure Limited to the extent of 10% of the paid up equity share capital of the Company.
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

(c) Indian Overseas Bank – Rs. 249.98 Million

- Loan from Indian Overseas Bank carries interest @ 12.75% p.a. and shall be repaid in 12 equal monthly installments after a principal moratorium of one year from the date of disbursement of loan.
- The loan is secured by:
  - Subservient charge on fixed assets of the Company
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

(d) ICICI Bank – Rs. 1,500.00 Million

- Loan from ICICI Bank carries interest @ 12.50% p.a. and shall be repaid in 16 equal quarterly installments after a moratorium of 2 years from the date of disbursement of loan.
- The loan is secured by
  - Residual charge over current assets and moveable fixed assets of the Company.
  - Exclusive charge over the debt service reserve account.
  - Pledge of 26% shares of BSCPL Infra Projects Limited held by the Company.
  - Extension of pledge over 20% shares of BSCPL Godhra Tollways Limited, already pledged to the lenders for Rupee Term Loan of Rs. 1,093.75 Million availed by the Company for the tenure of the loan.
  - Extension of pledge of 10% shares of Company, already pledged by the Promoters to the lenders for Rupee Term Loan facility of Rs. 1,093.75 Million availed by the Company for the tenure of the loan.
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

Foreign currency loans

(a) Standard Chartered Bank – Rs. 563.07 Million

- Loans from Standard Chartered Bank carry interest in the range of 10.25% p.a. to 11.50% p.a. fixed as per the cross currency swap entered and loan shall be repaid in 5 years as per the term loan agreement.
- The loan is secured by exclusive charge on the assets procured out of the loan.

(b) Citi Bank – Rs. 33.98 Million

- Loans from Citi Bank carry interest in the range of 9.90% p.a. to 10.25% p.a. fixed as per the cross currency swap entered and the loan shall be repaid in 5 years including a moratorium of 1 year as per the terms of loan agreement.
- The loan is secured by exclusive charge on the assets procured out of the bank's loan.

Working capital demand loans/cash credit facilities/ other short term borrowings

Working capital loans/cash credit facilities/ other short term borrowings to the extent of Rs. 4,503.75 Million availed from various banks under multiple banking arrangements are secured by

- First pari-passu charge on all the current assets of the Company.
- First pari-passu charge on unencumbered fixed assets of the Company.
- Equitable Mortgage on pari-passu basis of 7 immovable properties owned by the promoters and third parties.
- Unconditional and irrevocable personal guarantee of B. Seenaiah and B. Krishnaiah.

4.2 Capital commitments

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
(a) Estimated amount of contracts remaining to be executed on capital account	31.00	83.22	32.04	2.03	9.30	206.57
(b) Estimated amount of contracts in joint ventures remaining to be executed on capital account	10,569.51	12,964.78	14,788.94	-	-	-
(c) Estimated future investments in joint venture and other companies in terms of respective shareholder agreements/ loan agreements	3,577.53	5,891.76	2,560.46	-	-	-

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.3 Contingent liabilities not provided for (disclosure pursuant to Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets.")

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
(a) Claims of joint venture not acknowledged as debts to the extent of our share	322.35	322.88	324.12	684.98	566.61	622.95
(b) Claims against the Company not acknowledged as debts	473.41	473.41	-	-	-	-
(c) Entry tax demand arising from disputes not acknowledged as debts	356.75	356.75	328.21	116.29	-	-
(d) Uncalled liability on partly paid up shares	10.00	10.00	10.00	10.00	10.00	-
(e) Income tax demand arising from disputes not acknowledged as debts	-	-	35.72	35.72	7.03	-
(f) Guarantees issued by bankers on behalf of the Company	10,624.08	10,147.14	11,357.97	4,986.89	5,035.27	3,213.85
(g) Sales tax demand arising from disputes not acknowledged as debts	86.93	86.93	32.63	32.63	32.63	-
(h) Duty Drawback demand arising from disputes not acknowledged as debts	35.12	35.12	-	-	-	-
(i) Service tax demand arising from disputes not acknowledged as debts	136.25	136.25	-	-	-	-
(j) Income tax demands of Joint Venture not acknowledged as debts to the extent of our share	114.30	99.43	70.32	20.46	-	-

Based on an internal assessment and/ or legal opinions obtained, the Management is confident that no provision is required to be made as at September 30, 2012, March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.4 Disclosure under AS 7 "Construction Contracts"

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Contract revenue from construction activity recognized	3,973.38	4,715.34	3,078.12	6,863.29	4,844.11	3,395.74
Contract cost incurred and recognized profits (less recognized losses) for contracts in progress up to the reporting date	8,840.50	5,060.87	3,480.81	16,909.85	10,022.95	5,105.63
Advances received for contracts in progress	2,579.39	1,938.40	1,732.52	169.64	1,241.35	846.60
Amount of retention for contracts in progress	94.90	93.01	64.75	468.97	208.51	63.07
Gross amount due from customers for contract work	274.76	360.06	395.15	442.15	555.01	309.28

4.5 Provision for Defect Liability period:

A provision is recognized for expected costs to repair the road constructed by the Company for a period of 1 to 4 years from the date of completion of the construction. The provision is recognized based on the past experience towards cost of such repairs.

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Opening balance	29.15	12.50	12.50	-	-	-
Additions during the year/period	14.97	29.15	4.89	12.50	-	-
Amounts used during the year/period	(3.99)	(12.50)	(4.89)	-	-	-
Closing balance	**40.13**	**29.15**	**12.50**	**12.50**	**-**	**-**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.6 Related party disclosures

a) Name of related parties and nature of relationships as per the Accounting Standard 18 – "Related Party Disclosures"

Nature of relationship	Name of the related party	For the six months ended	For the year ended				
		September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Subsidiaries	BSCPL International FZE (BIF)	✓	✓	✓	✓	✓	✓
	BSCPL Realty Limited *	⊘	⊘	✓	✓	✓	✓
	BSCPL Infra Projects Limited (BIPL)	✓	✓	✓	✓	✓	✓
	BSCPL Aurang Tollways Limited	✓	✓	⊘	⊘	⊘	⊘
	BSCPL Godhra Tollways Limited	✓	✓	✓	✓	⊘	⊘
	B.Seenaiah & Company (Projects) Nepal (Pvt.) Limited **	⊘	⊘	✓	✓	✓	✓
	BSC C and C Kurali Toll Road Limited	✓	✓	✓	✓	✓	⊘
Joint ventures	BSC – C&C	✓	✓	✓	✓	✓	✓
	BSC-RBM-PATI	✓	✓	✓	✓	✓	✓
	SOMA –BSCPL	✓	✓	✓	✓	✓	✓
	BSCPL- SCL	✓	✓	✓	✓	✓	✓
	SCL-BSCPL	✓	✓	✓	✓	✓	✓
	BSC-KGLC	✓	✓	✓	✓	✓	✓
	CR18G-BSCPL	✓	✓	✓	✓	✓	✓
	BSC-C&C (JV) Nepal Private Limited	✓	✓	✓	✓	✓	✓
	BSCPL-KGLC Airport	✓	✓	✓	✓	✓	⊘
	Patna Bakthiyarpur Tollway Limited	✓	✓	⊘	⊘	⊘	⊘
	Simhapuri Expressway Limited	✓	✓	✓	⊘	⊘	⊘
	Mokama Munger Highway Limited	✓	✓	✓	⊘	⊘	⊘
	North Bihar Highway Limited	✓	✓	✓	⊘	⊘	⊘
Key management personnel (KMP)	B. Krishnaiah	✓	✓	✓	✓	✓	✓
	B. Seeniah	✓	✓	✓	✓	✓	✓
	K Thanu Pillai ***	✓	✓	✓	✓	✓	✓
	T. Dayakar ****	⊘	✓	✓	✓	✓	✓
	U. Jayakodi ****	⊘	✓	✓	✓	✓	✓
Relatives of KMP	B. Sujatha	✓	✓	✓	✓	✓	✓
	B. Bhaskara Rao	⊘	⊘	⊘	⊘	⊘	✓
	B. Sandeep	⊘	⊘	⊘	✓	✓	⊘
	B. Yamuna	✓	✓	✓	✓	✓	✓
	J. Bhaskaran	⊘	✓	✓	✓	⊘	⊘
Entities owned by or where significant	Bollineni Castings and Steel Limited	✓	✓	✓	✓	✓	✓
	Bollineni Developers	✓	✓	✓	✓	✓	✓

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Nature of relationship	Name of the related party	For the six months ended	For the year ended				
		September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
influence exercised by KMP or their relatives	Limited						
	Aishu Castings Private Limited	✓	✓	✓	✓	✓	✓
	Aishu Projects Limited	✓	✓	✓	✓	✓	✓
	Krishna Institute of Medical Sciences Limited (KIMS)	✓	✓	✓	✓	✓	⦸
	Amar Biotech Limited	⦸	⦸	⦸	✓	✓	✓
	Bollineni Family Trust	✓	✓	✓	✓	⦸	⦸

* The subsidiary has been dissolved from February 05, 2011.
** The subsidiary has been wound up from June 24, 2011.
*** Resigned with effect from July 04, 2012.
**** Resigned with effect from September 16, 2011.

Legends:	
✓	Related party
⦸	Not a related party for the respective year

All amounts expressed in Indian Rupees in Million unless otherwise expressed

b) Transactions during the period/ year:

Name of the related party	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
I. Transaction with subsidiaries						
(i) **BSCPL International FZE**						
(a) Share application money given/ (received back)	30.64	104.61	51.72	344.03	61.21	(21.85)
(ii) **BSC C and C Kurali Toll Road Limited**						
(a) Reimbursable expenses incurred by the Company	0.02	0.00	0.00	0.28	-	-
(iii) **B.Seenaiah & Company (Projects) Nepal (Pvt.) Limited**						
(a) Interest free unsecured loans given/(received back)	-	-	-	(2.70)	-	3.40
(b) Reimbursable expenses incurred by the Company	-	-	-	-	0.02	-
(iv) **BSCPL Realty Limited**						
(a) Loans and advances given/ (received back)	-	-	(0.50)	0.01	-	0.01
(b) Investment written off	-	-	0.66	-	-	-
(v) **BSCPL Infra Projects Limited**						
(a) Share application money	-	669.6	757.13	30.88	-	-
(b) Advances given during the period/ year	-	0.00	0.02	-	161.64	66.76
(c) Investments	-	1,426.68	845.50	-	-	200.00
(vi) **BSCPL Aurang Tollways Limited**						
(a) Investment in Equity	-	2.5	-	-	-	-
(b) Share Application money given	1,178.28	5.5	-	-	-	-
(c) Reimbursable expenses incurred by the Company	-	1.58	-	-	-	-
(vii) **BSCPL Godhra Tollways Limited**						
(a) Reimbursable expenses incurred by the Company	-	3.93	1.15	-	-	-
(b) Construction revenue	1,395.30	1,846.41	484.96	-	-	-
(c) Mobilization advance received	-	-	655.00	-	-	-
(d) Material advance received	-	-	182.82	-	-	-
(e) Debenture application money	296.30	220.80	0.01	-	-	-
(f) Debentures issued	369.91	-	-	-	-	-

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the related party	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
II. Transaction with joint ventures						
(i) Patna Bakhtiyarpur Tollway Limited						
(a) Investment in Equity	-	116.06	-	-	-	-
(b) Share Application money given	97.10	4.44	-	-	-	-
(c) Unsecured Loan given	85.95	150.00	-	-	-	-
(ii) Simhapuri Expressway Limited						
(a) Mobilization advance received	-	605.04	637.50	-	-	-
(b) Reimbursable expenses incurred by the Company	-	-	4.25	-	-	-
(c) Construction revenue	1,290.30	1,364.63	93.72	-	-	-
(d) Revenue from maintenance contract	245.33	114.75	-	-	-	-
(iii) Mokama Munger Highway Limited						
(a) Reimbursable expenses incurred by the Company	-	-	0.11	-	-	-
(b) Investment in equity shares	22.19	31.82	23.40	-	-	-
(c) Share application money given	-	34.36	0.13	-	-	-
(d) Investment in Preference shares	178.12	-	-	-	-	-
(iv) North Bihar Highway Limited						
(a) Investment in equity shares	-	63.91	0.13	-	-	-
(b) Unsecured loan given	289.90	-	-	-	-	-
(v) BSC – C&C (JV)						
(a) Investment / (Withdrawal) in venturer's capital (net)	(18.44)	(416.28)	1,175.42	32.28	600.17	675.42
(b) Company's share of profit / in integrated joint ventures	256.97	299.69	444 .80	318.43	232.48	244.43
(vi) BSC-RBM-PATI						
(a) Investment / (Withdrawal) in venturer's capital (net)	5.99	6.83	(57.13)	1.35	22.15	3.04
(b) Company's share of profit / (loss) in integrated joint ventures	(3.68)	(5.63)	44.08	(10.15)	4.82	(6.12)
(vii) SOMA-BSCPL (JV)						
(a) Company's share of profit / in integrated joint ventures	-	0.58	0.82	3.05	25.40	30.22
(b) Investment / (Withdrawal) in venturer's capital (net)	-	(3.77)	(4.21)	(11.01)	-	(26.18)
(viii) BSCPL - SCL (JV)						

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the related party	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
(a) Investment / (Withdrawal) in venturer's capital (net)	16.74	20.58	14.07	131.16	251.74	(231.84)
(b) Company's share of profit / in integrated joint ventures	0.11	1.26	2.64	3.75	9.41	7.96
(ix) SCL-BSCPL (JV)						
(a) Investment or withdrawal in venturer's Capital (Net)	97.32	212.81	136.49	219.78	114.63	51.8
(b) Hire charges	-	-	64.41	38.61	-	-
(c) Company's share of profit / in integrated joint ventures	0.62	2.27	21.06	10.42	2.48	2.69
(x) CR-18G-BSCPL(JV)						
(a) Investment or withdrawal in venturer's Capital (Net)	-	-	-	10.19	-	(1.80)
(b) Company's share of profit / in integrated joint ventures	2.28	4.61	3.63	3.51	10.86	10.69
(xi) BSC – KGLC (JV)						
(a) Investment / (Withdrawal) in venturer's capital (net)	0.00	-	-	3.48	36.00	(1.26)
(b) Company's share of profit / in integrated joint ventures	0.00	0.13	(0.02)	-	4.34	1.55
(xii) BSC – C&C (JV) Nepal Private Limited						
(a) Interest free loans and advances	-	-	-	-	-	17.50
(b) Investments	-	-	-	-	-	46.25
(c) Provision for diminution	-	20.00	-	-	-	-
(xiii) BSC-KGLC Airport(JV)						
(a) Investment or withdrawal in venturer's Capital (Net)	(63.17)	1.15	(29.32)	(58.98)	36.72	-
(b) Subcontract expenses	-	29.86	-	-	-	-
(c) Purchases	-	13.23	0 .32	11.65	-	-
(d) Equipment hire charges income	-	-	40.00	80.00	-	-
(e) Company's share of profit / (loss) in integrated joint ventures	(5.88)	1.03	54.61	145.71	9.11	-
(f) Construction revenue	-	-	75.34	-	-	-
III. Transaction with KMP						
(i) B. Krishnaiah						
(a) Managerial remuneration	15.00	18.00	18.00	18.00	-	-
(b) Loans taken	-	-	30.00	111.80	-	-
(c) Interest on loans taken	-	-	-	1.38	-	-
(d) Unsecured loans repaid	-	-	30.00	111.80	-	-
(e) Personal guarantees against	8,647.48	7,539.73	7,699.92	6,246.89	4,001.09	1,736.71

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the related party	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
loans						
(ii) B. Seenaiah						
(a) Managerial remuneration	9.00	12.00	12.00	12.00	9.00	9.00
(b) Personal guarantees against loans	8,647.48	7,539.73	7,699.92	6,246.89	4,001.09	1,736.71
(iii) T. Dayakar						
(a) Managerial remuneration	-	2.40	4.20	3.60	3.30	2.70
(iv) U. Jayakodi						
(a) Managerial remuneration	-	2.40	4.20	3.60	3.30	2.70
(v) K Thanu Pillai						
(a) Managerial remuneration	1.05	3.30	2.70	2.10	1.80	1.20
IV. Transaction with relatives of KMP						
(i) B. Sujatha						
(a) Rent paid	-	0.72	0.96	1.08	1.08	1.08
(b) Loans paid	-	-	-	-	-	20.00
(ii) B. Yamuna						
(a) Rent paid	-	0.72	0.96	1.08	1.08	1.08
(iii) B. Sandeep						
(a) Salaries	-	-	-	2.00	-	-
(b) Salary Advances	-	-	-	-	2.03	-
(iv) B. Bhaskara Rao						
(a) Loans taken	-	-	-	-	-	(2.50)
(v) J. Bhaskaran						
(a) Rent Paid	-	0.12	0.12	0.12	0.12	-
V. Transactions with entities owned by or where significant influence is exercised by KMP or their relatives						
(i) Bollineni Castings and Steels Limited						
(a) Reimbursable expenses incurred by the Company	-	0.03	0.53	0.00	0.21	(51.37)
(b) Trade advances	45.45	21.11	0.21	0.11	1.25	-
(c) Purchases	-	4.25	1.87	0.73	6.00	0.90
(d) Sale of scrap	-	-	-	-	(0.03)	1.41
(ii) **Bollineni Developers Limited**						
(a) Interest on trade advances	-	-	-	47.40	50.47	85.14
(b) Reimbursable expenses incurred by the Company	-	0.8	0.51	0.05	-	-
(c) Purchase of land	-	-	22.50	-	-	-
(d) Loans and advances	-	-	-	-	-	435.01

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the related party	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
(e) Unsecured loan received back	-	-	617.90	-	-	250.00
(f) Real estate under development	34.12	-	-	-	-	-
(iii) Aishu Castings Limited						
(a) Purchases	-	6.68	5.47	4.52	9.56	(1.23)
(b) Trade advances	-	-	(6.63)	23.60	13.38	1.50
(c) Reimbursable expenses incurred by the Company	-	-	-	-	0.11	-
(iv) Aishu Projects Limited						
(a) Unsecured loan received back	4.50	22.50	-	2.00	-	-
(b) Unsecured loan given	-	-	-	-	-	100.00
(c) Interest on loans and advances	5.69	15.00	15.00	13.50	11.60	-
(d) Sale of investments(net)	-	-	1.13	-	-	22.17
(e) Reimbursable expenses incurred by the Company	-	-	-	-	-	11.46
(f) Subcontract expenses	29.02	38.99	-	-	-	-
(g) Sub-contract advance given	62.95	41.00	-	-	-	-
(v) Amar Biotech Limited						
(a) Loans and advances received	-	-	-	-	38.00	-
(b) Interest paid	-	-	-	-	0.25	-
(vi) Bollineni Family Trust						
(a) Rent paid	-	0.10	0.14	0.41	-	-

c) Balances Receivable/(Payable) outstanding as at:

Name of the related party	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
BSCPL Realty Limited	-	-	-	0.66	0.70	1.15
BSCPL Godhra Tollways Limited	(280.87)	(596.18)	(915.85)		-	-
BSC C and C Kurali Toll Road Limited	0.30	0 .28	0 .28	0.28	-	0.25
BSCPL Infra Projects Limited	0.07	0.07	757.15	459.75	432.86	271.21
B. Seenaiah & Company (Projects) Nepal (Pvt.) Limited	-	-	-	3.39	3.42	4.50
BSCPL International FZE	682.05	651.41	546.94	497.1	153.07	91.87
Patna Bakhtiyarpur Tollway Limited	337.49	154.44	-	-	-	-
BSCPL Aurang Tollways Limited	82.13	7.08	-	-	-	-
Simhapuri Expressway Limited	(1,381.78)	(1,703.63)	(633.25)	-	-	-
North Bihar Highway Limited	289.90	-	-	-	-	-

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the related party	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
Mokama Munger Highway Limited	-	34.60	0.24	-	-	-
BSC- C&C JV	-	184.50	-	-	-	-
BSC-C&C(JV) Nepal Private Limited	-	-	20.20	20.20	20.20	17.50
Bollineni Castings and Steel Limited	66.56	21.11	6.61	7.62	7.87	(0.03)
Bollineni Developers Limited	-	-	0.51	618.72	571.24	520.15
Aishu Castings Limited	(1.63)	(0.62)	3.37	19.89	3.35	(0.60)
Aishu Projects Limited	177.73	143.07	150.06	139.37	127.87	123.85
Bollineni family trust	(0.02)	(0.02)	(0.14)	(0.02)	-	-
Amar Biotech Limited		-	-	(0.25)	(0.25)	-
KIMS	(1.03)	(1.04)	(1.05)	1.48	0.95	-
B. Seenaiah	-	-	-	-	(0.48)	(0.41)
K.Thanu Pillai	-	-	-	0.04	(0.08)	(0.08)
U.Jayakodi	-	-	-	0.06	(0.07)	(0.06)
T. Dayakar	-	-	(0.10)	0.27	(1.08)	(1.03)
B.Sujatha	(0.05)	(0.05)	(0.22)	(0.25)	(0.21)	(2.54)
B.Yamuna	(0.05)	(0.05)	(0.22)	(0.25)	(0.21)	-
B. Sandeep	-	-	-	0.81	2.03	-

Note: i. Amounts appearing as 0.00 indicates amounts less than Rs. 5,000 rounded off to Million.
ii. For personnel guarantee given by key managerial personnel, refer note 4.6.b).III above.

4.7 Investments in joint ventures

The Company's financial interest in jointly controlled entities is as under:

Name of the JV	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
BSC-C&C JV						
% of interest	50	50	50	50	50	50
Assets	7,603.32	7,820.48	6,855.82	6,006.12	5,013.27	3,224.39
Liabilities	4,999.84	4,921.61	3,571.46	3,493.81	5,013.27	2,969.42
Income	3,417.76	6,825.33	5,815.79	5,128.32	3,213.42	2,641.86
Expenditure	2,975.58	6,355.72	5,084.20	4,539.82	2,862.41	2,296.63
Tax	185.21	169.92	286.79	270.06	118.53	100.80
Profit after tax	256.97	299.69	444.80	318.44	232.48	244.43
BSC-RBM-PATI JV						
% of interest	50	50	50	50	50	50
Assets	33.05	32.01	37.67	144.17	148.39	147.95
Liabilities	13.71	6.24	9.32	52.77	148.61	90.83
Income	-	1.12	127.37	0.18	27.23	-
Expenditure	3.69	6.78	63.66	9.92	19.92	7.33
Tax	(0.01)	(0.02)	19.63	0.43	2.49	(1.21)
Profit/ (loss) after tax	(3.68)	(5.63)	44.08	(10.17)	4.82	(6.12)
SOMA-BSCPL JV						
% of interest	50	50	50	50	50	50

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the JV	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Assets	15.98	15.76	23.39	76.98	109.18	388.85
Liabilities	3.66	3.66	3.66	32.07	109.18	358.62
Income	-	3.91	1.19	78.49	537.04	1,103.40
Expenditure	-	3.06	0.01	74.07	498.57	1,057.61
Tax	-	0.27	0.36	1.37	13.07	15.57
Profit after tax	-	0.58	0.82	3.05	25.40	30.22
BSCPL-SCL JV						
% of interest	50	50	50	50	50	50
Assets	511.94	504.79	463.98	475.34	403.61	403.06
Liabilities	255.33	265.72	334.42	403.51	403.61	352.06
Income	26.53	15.26	148.41	56.87	193.70	168.20
Expenditure	26.36	13.36	144.41	51.44	179.74	156.03
Tax	0.06	0.64	1.36	1.68	4.55	4.21
Profit after tax	0.11	1.26	2.64	3.75	9.41	7.96
SCL-BSCPL JV						
% of interest	35	35	35	35	35	35
Assets	310.23	339.58	267.14	238.68	152.77	100.68
Liabilities	21.75	28.17	31.13	214.79	152.77	92.27
Income	36.83	157.69	366.58	205.81	40.83	83.70
Expenditure	35.89	154.32	334.68	190.04	37.17	79.68
Tax	0.32	1.10	10.84	5.35	1.18	1.33
Profit after tax	0.62	2.27	21.06	10.42	2.48	2.69
BSCPL-KGLC JV						
% of interest	60	60	60	60	60	60
Assets	4.07	4.07	4.77	7.00	7.00	3.18
Liabilities	-	0.00	0.04	2.65	7.00	1.74
Income	-	0.20	0.02	-	96.54	64.57
Expenditure	0.00	0.02	0.04	-	92.20	62.27
Tax	-	0.05	-	-	0.00	0.75
Profit/ (loss) after tax	(0.00)	0.13	(0.02)	-	4.34	1.55
CR18G-BSC JV						
% of interest	50	50	50	50	50	50
Assets	279.75	278.14	295.76	313.19	322.51	309.54
Liabilities	270.41	271.24	292.71	290.39	322.51	299.69
Income	85.53	149.07	129.83	93.27	374.71	354.97
Expenditure	81.90	142.01	123.99	88.19	357.44	338.21
Tax	1.35	2.45	2.21	1.57	6.41	6.07
Profit after tax	2.28	4.61	3.63	3.51	10.86	10.69
BSC-C&C (JV) Nepal Private Limited						
% of interest	50	50	50	50	50	50
Assets	97.71	102.80	123.05	143.66	206.44	154.95
Liabilities	52.12	25.52	14.59	88.05	206.44	99.59
Income	0.11	1.85	37.54	178.72	176.36	78.78
Expenditure	3.35	9.58	53.18	176.87	172.84	72.22

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Name of the JV	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Tax	-	-	(0.04)	0.30	0.82	-
Profit / (loss) after tax	(3.24)	(7.73)	(15.60)	1.55	2.70	6.56
BSCPL-KGLC Airport JV						
% of interest	90	90	90	90	90	-
Assets	57.00	141.48	211.48	462.80	241.45	-
Liabilities	6.60	28.33	100.02	307.21	241.45	-
Income	47.65	114.36	791.37	1,535.35	80.57	-
Expenditure	53.53	112.85	710.38	1.305.34	66.77	-
Tax	-	0.48	26.38	84.30	4.69	-
Profit after tax	(5.88)	1.03	54.61	145.71	9.11	-
North Bihar Highway Limited						
% of interest	15	15	26	-	-	-
Assets	690.99	495.89	90.47	-	-	-
Liabilities	626.96	431.86	1.72	-	-	-
Mokama Munger Highway Limited						
% of interest	26	26	26	-	-	-
Assets	915.35	671.55	92.19	-	-	-
Liabilities	589.40	616.29	0.64	-	-	-
Patna Bhaktiyarpur Tollways Limited						
% of interest	26	26	-	-	-	-
Assets	1159.68	935.87	-	-	-	-
Liabilities	954.42	819.05	-	-	-	-

Notes:

a) Commitments and contingent liabilities of the jointly controlled entity are disclosed in note 4.2 and 4.3 respectively.

b) All the aforesaid entities are incorporated in India other than BSC-C&C JV Nepal Private Limited which is incorporated in Nepal.

c) The Company has formed a joint venture KMC-Oriental-BSCPL JV in India, which is in the nature of jointly controlled operation. The Company's share in assets, liabilities, income and expenditure are duly accounted for in the books of the Company in accordance with such division of work as per the work sharing agreement and therefore does not require separate disclosures. However, joint venture partners are jointly and severally liable to clients for any claims in this project.

d) Amounts appearing as 0.00 indicate amounts less than Rs. 5,000 rounded off to Million.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.8 Deferred tax liability (net)

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
Deferred tax liability						
Differences in depreciation as per tax books and financial books	165.53	186.35	218.48	274.55	298.42	259.90
Total deferred tax liability	**165.53**	**186.35**	**218.48**	**274.55**	**298.42**	**259.90**
Deferred tax asset						
Employment benefits	13.14	11.70	5.94	3.76	10.27	2.75
Provision for doubtful receivables and advances	10.20	10.20	-	-	-	-
Provision for defect liability	13.02	9.46	4.15	4.25	-	-
Others	15.50	23.62	0.35	2.04	8.74	8.20
Total deferred tax assets	**51.86**	**54.98**	**10.44**	**10.05**	**19.01**	**10.95**
Deferred tax liability (net)	**113.67**	**131.37**	**208.04**	**264.50**	**279.41**	**248.95**

4.9 Retirement benefits

Disclosures related to defined contribution plan

Particulars	For the six month ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Provident fund contribution as recognized as expense in Statement of unconsolidated profit and loss	7.90	15.86	13.18	14.12	13.10	10.18

Disclosures related to defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on retirement at 15 days last drawn basic salary for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Statement of Profit and Loss

Net employee benefit expense recognized in employee cost

Particulars	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Current service cost	5.57	9.84	6.41	5.72	4.61	3.33
Interest cost on benefit obligation	3.27	4.09	3.16	1.96	1.61	0.97
Expected return on plan assets	(2.40)	(4.24)	(3.33)	(2.43)	(1.47)	(0.56)
Past service cost (vested benefits)	-	-	-	5.24	-	-
Net actuarial loss / (gains)	(4.12)	15.66	2.60	3.67	(0.74)	4.35
Net expense	**2.32**	**25.35**	**8.84**	**14.16**	**4.01**	**8.09**
Actual return on plan assets	2.40	4.19	3.35	1.84	1.15	0.01

Balance Sheet

Benefit asset/ liability

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Present value of defined benefit obligation	79.14	75.96	51.14	39.99	25.10	20.21
Fair value of plan assets	54.19	50.10	41.84	33.68	20.77	12.12
Plan liability	24.95	25.86	9.30	6.31	4.33	8.09

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Opening defined benefit obligation	75.96	51.14	39.99	25.10	20.21	12.11
Interest cost	3.27	4.09	3.16	1.96	1.61	0.97
Current service cost	5.57	9.84	6.41	5.72	4.61	3.33
Past service cost	-	-	-	5.24	-	-
Benefits paid	(1.54)	(4.72)	(1.04)	(1.11)	(0.27)	-
Actuarial losses/(gain) on obligation	(4.12)	15.61	2.62	3.08	(1.06)	3.80
Closing defined benefit obligation	**79.14**	**75.96**	**51.14**	**39.99**	**25.10**	**20.21**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Changes in the fair value of plan assets:

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Opening fair value of plan assets	50.10	41.84	33.68	20.77	12.12	-
Expected return	2.40	4.24	3.33	2.43	1.47	0.56
Contributions by employer	3.23	8.79	5.85	12.18	7.77	12.11
Benefits paid	(1.54)	(4.72)	(1.04)	(1.11)	(0.27)	-
Actuarial gain/(loss)	0.00	(0.05)	0.02	(0.59)	(0.32)	(0.55)
Closing fair value of plan assets	**54.19**	**50.10**	**41.84**	**33.68**	**20.77**	**12.12**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Investment with the Insurer	100%	100%	100%	100%	100%	100%

The expected rate of return on assets is based on the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Discount rate (p.a.)	8.60%	8.60%	8.00%	8.00%	8.00%	8.00%
Increase in compensation cost	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Employee turnover	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Expected return on plan assets (p.a.)	9.25%	9.25%	9.25%	8.00%	9.25%	9.25%

Amounts for the current period and previous year are as follows:

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Defined benefit obligation	79.14	75.96	51.14	39.99	25.10	20.21
Plan assets	54.19	50.10	41.84	33.68	20.77	12.12
Surplus/(deficit)	(24.95)	(25.86)	(9.30)	(6.31)	(4.33)	(8.09)
Experience adjustments on plan liabilities	4.12	(15.61)	(2.62)	(3.08)	1.06	(3.80)
Experience adjustments on plan assets	-	(0.05)	0.02	(0.59)	(0.32)	(0.55)

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.10 Disclosures pertaining to premises taken on lease:

The Company has certain operating leases for corporate office premises and other construction sites. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions imposed by these leases. There are no subleases.

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Within one year	11.81	11.52	-	-	-	-
After one year but not more than five years	60.82	66.87	-	-	-	-
More than five years	-	-	-	-	-	-
	72.63	**78.39**	**-**	**-**	**-**	**-**

The effect of lease rentals under such agreements to statement of profit and loss for the period ended September 30, 2012 and for the year ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008.

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
In case of Premises taken on lease	15.44	31.17	22.83	13.17	24.01	10.99
In case of assets given on lease	2.22	3.15	106.46	118.97	129.03	73.24

4.11 Earnings in foreign currency

Particulars	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Sale of metal	-	13.26	127.56	148.21	-	-
Other income	-	0.00	3.78	11.47	-	-

4.12 CIF Value of Imports:

Particulars	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Capital Goods	84.31	66.10	26.09	3.07	268.95	392.91
Raw Material	89.91	134.72	278.14	188.97	89.07	252.69
Total	**174.22**	**200.82**	**304.23**	**192.04**	**358.02**	**645.60**

4.13 Imported and indigenous materials consumed

Particulars	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Imported	134.47	176.82	278.15	188.97	89.07	261.94
Indigenous	1,585.68	1,402.40	1,337.29	3,051.43	2,091.99	1,312.32
Total	**1,720.15**	**1,579.22**	**1,615.44**	**3,240.40**	**2,181.06**	**1,574.26**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Annexure V - Restated Unconsolidated Statement of Non Current Investments
[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	Number of shares						As at					
	September, 30, 2012	March, 31, 2012	March, 31, 2011	March, 31, 2010	March, 31, 2009	March, 31, 2008	September, 30, 2012	March, 31, 2012	March, 31, 2011	March, 31, 2010	March, 31, 2009	March, 31, 2008
Trade investments (valued at cost unless stated otherwise, unquoted)												
In subsidiaries												
Equity shares of Rs. 10 each, fully paid-up in BSCPL Infra Projects Limited	23,051,264	23,051,264	15,917,881	10,400,006	10,400,006	10,400,006	2,634.25	2,634.25	1,207.58	104.00	104.00	104.00
Equity share of DHM 150,000 fully paid up in BSCPL International FZE	1	1	1	1	1	1	1.88	1.88	1.88	1.88	1.88	1.88
Equity shares of Rs. 10 each fully paid up in BSC CandC Kurali Toll Road Limited	100	100	100	100	-	25,498	0.00	0.00	0.00	0.00	-	0.25
Equity shares of Rs. 10 each fully paid up in BSCPL Reality Limited	-	-	-	50,060	50,060	50,060	-	-	-	0.50	0.50	0.50
Equity shares of Rs. 10 each fully paid up in BSCPL Aurang Tollway Limited	254,997	254,997	-	-	-	-	2.55	2.55	-	-	-	-
0.01% redeemable cumulative non-convertible preference shares of Rs. 100 each, fully paid-up in BSCPL Infra Projects Limited	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	100.00	100.00	100.00	100.00	100.00	100.00
Zero coupon unsecured convertible debentures of Rs. 100 each in BSCPL Godhra Tollways Limited	3,699,050	-	-	-	-	-	369.91	-	-	-	-	-
Total							**3,108.59**	**2,738.68**	**1,309.46**	**206.38**	**206.38**	**206.63**
In joint ventures												
Equity shares of NPR 100 each fully paid up in BSC - C & C (JV) Nepal Private Limited	800,000	800,000	800,000	800,000	800,000	800,000	50.00	50.00	50.00	50.00	50.00	50.00
Less: Provision for diminution, other than temporary, in the carrying value of long term investments	-	-	-	-	-	-	20.00	20.00	-	-	-	-
Total							**30.00**	**30.00**	**50.00**	**50.00**	**50.00**	**50.00**
Equity shares of Rs. 10 each fully paid up in North Bihar Highway Limited	652,050	652,050	13,000	-	-	-	64.04	64.04	0.13	-	-	-
Equity shares of Rs. 10 each fully paid up in Mokama Munger Highway Limited	785,823	563,940	245,700	-	-	-	77.41	55.22	23.40	-	-	-
Equity shares of Rs. 10 each fully paid up in Patna Bhaktiyarpur Tollway Limited	785,859	785,859	-	-	-	-	116.06	116.06	-	-	-	-
Preference shares of Rs. 100 each fully paid up in Mokama Munger Highway Limited	1,781,201	-	-	-	-	-	178.12	-	-	-	-	-
Total							**435.63**	**235.32**	**23.53**	**-**	**-**	**-**
In joint venture entities in the form of association of persons												
BSC - C&C	-	-	-	-	-	-	3,629.31	3,390.79	3,502.27	1,876.33	1,517.02	1,213.39
BSC - RBM - PATI	-	-	-	-	-	-	40.35	38.04	36.84	49.89	58.28	51.74
BSCPL - SCL	-	-	-	-	-	-	333.38	316.53	294.69	265.28	132.44	-
CR 18 G - BSCPL	-	-	-	-	-	-	33.90	31.62	27.49	71.07	58.33	34.89
SCL - BSCPL	-	-	-	-	-	-	1,058.60	960.65	745.57	473.32	203.71	91.61
BSC - KGLC	-	-	-	-	-	-	58.59	127.64	125.46	225.60	-	-
SOMA - BSCPL	-	-	-	-	-	-	7.10	7.10	10.28	13.68	21.63	15.50
BSCPL - KGLC	-	-	-	-	-	-	3.70	3.70	3.59	-	8.30	3.61
Total							**5,164.93**	**4,876.07**	**4,746.19**	**2,975.17**	**1,999.71**	**1,410.74**
In others												
Equity shares of Rs. 10 each, fully paid-up, in Aishu Projects Limited	729,972	729,972	729,972	729,972	729,972	729,972	1.46	1.46	1.46	1.46	1.46	1.46
Less: Provision for diminution, other than temporary, in the carrying value of long term investments	-	-	-	-	-	-	1.46	1.46	1.46	1.46	1.46	-
Total							**-**	**-**	**-**	**-**	**-**	**1.46**
Preference shares of Rs. 10 each, partly paid-up in Pipal Tree Venture Private Limited	400,000	400,000	400,000	400,000	400,000	-	30.00	30.00	30.00	30.00	30.00	-
Less: Provision for diminution, other than temporary, in the carrying value of long term investments	-	-	-	-	-	-	-	-	6.00	6.00	-	-
Total							**30.00**	**30.00**	**24.00**	**24.00**	**30.00**	**-**
Total							**8,769.15**	**7,910.07**	**6,153.18**	**3,255.55**	**2,286.09**	**1,668.83**

Aggregate amount of unquoted investments	8,769.15	7,910.07	6,153.18	3,255.55	2,286.09	1,668.83
Aggregate provision for diminution in the value of non current investments	21.46	21.46	7.46	7.46	1.46	-

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2.These Investments are in the name of the Company.

3. Amounts appearing as 0.00 indicates amounts less than Rs. 5,000 rounded off to millions.

Annexure VI - Restated Unconsolidated Statement of Current Investments

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	Number of shares						As at					
Particulars	**September 30, 2012**	**March, 31, 2012**	**March, 31, 2011**	**March, 31, 2010**	**March, 31, 2009**	**March, 31, 2008**	**September 30, 2012**	**March, 31, 2012**	**March, 31, 2011**	**March, 31, 2010**	**March, 31, 2009**	**March, 31, 2008**
Quoted - Non trade												
Equity shares of Rs. 10 each fully paid up in Vijaya Bank Limited	30,000	30,000	30,000	40,000	40,000	40,000	0.34	0.34	0.34	0.46	0.46	0.46
Equity shares of Rs. 10 each fully paid up in C & C Constructions Limited	9,140	9,140	9,140	9,140	9,140	9,140	0.53	0.79	1.16	2.22	0.92	1.75
Total							**0.87**	**1.13**	**1.50**	**2.68**	**1.38**	**2.21**

Aggregate amount of quoted investments	0.87	1.13	1.50	2.68	1.38	2.21
Market value of quoted investments	2.21	2.45	3.57	4.12	1.85	3.73

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2.These Investments are in the name of the Company.

Annexure VII - Restated Unconsolidated Statement of Trade Receivables - Non Current

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Trade receivables (Unsecured)						
Outstanding for a period exceeding six months from the date they are due for payment						
Considered good	105.69	103.33	173.19	324.84	96.79	41.54
Considered doubtful	16.33	14.89	-	-	-	-
	122.02	**118.22**	**173.19**	**324.84**	**96.79**	**41.54**
Less:						
Provision for doubtful receivable	16.33	14.89	-	-	-	-
	105.69	**103.33**	**173.19**	**324.84**	**96.79**	**41.54**
Other receivables	**60.18**	**78.12**	**72.57**	**185.15**	**208.19**	**26.84**
Total	**165.87**	**181.45**	**245.76**	**509.99**	**304.98**	**68.38**

Amounts outstanding from Subsidiaries/Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
From subsidiary	-	18.07	57.48	-	-	-
From joint ventures	-	20.58	-	-	-	-
Total	**-**	**38.65**	**57.48**	**-**	**-**	**-**

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2. Amount outstanding from subsidiaries and joint ventures is as disclosed in Annexure IV, B. 4.6.

Annexure VIII - Restated Unconsolidated Statement of Trade Receivables - Current

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	As at					
Particular	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Trade receivables (Unsecured, considered good)						
Outstanding for a period exceeding six months from the date they are due for payment	8.14	102.76	136.73	76.26	23.46	26.61
Other receivables	890.22	606.77	602.87	660.55	802.36	344.87
Total	**898.36**	**709.53**	**739.60**	**736.81**	**825.82**	**371.48**

Amounts outstanding from Subsidiaries/Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
From subsidiary	170.98	112.68	300.53	-	-	-
From joint ventures	161.73	104.59	30.12	-	-	-
Total	**332.71**	**217.27**	**330.65**	**-**	**-**	**-**

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2. Amount outstanding from subsidiaries and joint ventures is as disclosed in Annexure IV, B. 4.6.

Annexure IX - Restated Unconsolidated Statement of Long Term Loans and Advances and Other Non Current Assets

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Unsecured, considered good						
Advances recoverable in cash or kind	33.30	33.30	-	-	-	-
Capital advances	30.07	20.22	41.10	4.77	46.18	97.96
Loans and advances to related parties	393.63	150.00	-	-	-	-
Share application money pending allotment	1,967.42	695.88	1,304.20	753.30	326.98	108.12
Debenture application money pending allotment	147.20	220.81	-	-	-	-
Security deposits	41.49	34.83	29.29	46.84	31.02	19.07
Other loans and advances						
Duty drawback receivable	40.06	40.06	40.06	-	-	-
Balances with government authorities	46.12	46.12	46.12	-	-	-
Advance income tax (net of provision for tax)	135.36	234.43	111.84	22.07	86.51	21.04
Total	**2,834.65**	**1,475.65**	**1,572.61**	**826.98**	**490.69**	**246.19**
Unsecured, considered doubtful						
Advances recoverable in cash or kind	16.54	16.54	-	-	-	-
Less: Provision for doubtful advances	16.54	16.54	-	-	-	-
Total	**2,834.65**	**1,475.65**	**1,572.61**	**826.98**	**490.69**	**246.19**

Amounts outstanding from Subsidiaries/Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
To Joint ventures	393.63	150.00	-	-	-	-
Total	**393.63**	**150.00**	**-**	**-**	**-**	**-**

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2. Amount outstanding from joint ventures is as disclosed in Annexure IV, B. 4.6.

Other Non Current Assets	As at					
Particulars	**September 30,**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Unsecured, considered good						
Unamortised anciliary costs for arranging the borrowings	44.43	56.70	37.50	-	-	-
Non current bank balances	8.24	2.63	5.09	4.95	-	26.01
Claims on customers	2,384.52	2,309.49	2,121.71	1,716.37	862.18	815.04
Others	27.62	42.57	-	-	-	-
Total	**2,464.81**	**2,411.39**	**2,164.30**	**1,721.32**	**862.18**	**841.05**

Note:

The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

Annexure X - Restated Unconsolidated Statement of Short term loans and advances and Other Current Assets

[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Unsecured, considered good						
Advances recoverable in cash or kind	333.50	198.30	230.79	336.01	348.06	281.32
Loans and advances to related parties	309.16	107.57	121.75	559.54	612.35	648.74
Total	**642.66**	**305.87**	**352.54**	**895.55**	**960.41**	**930.06**
Other loans and advances						
Prepaid expenses	44.65	42.30	28.81	17.21	41.09	26.93
Duty drawback receivable	33.11	33.11	115.45	210.83	85.06	119.76
Balances with government authorities	13.05	52.82	55.81	98.43	68.36	20.16
Total	**90.81**	**128.23**	**200.07**	**326.47**	**194.51**	**166.85**
Total	**733.47**	**434.10**	**552.61**	**1,222.02**	**1,154.92**	**1,096.91**

Amounts outstanding from Subsidiaries/Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
To Joint venture	132.22	-	20.30	23.86	20.20	17.50
To Subsidaries	1.44	6.95	1.45	0.66	57.14	72.37
To Other related party	175.50	100.62	100.00	535.02	535.01	558.87
Total	**309.16**	**107.57**	**121.75**	**559.54**	**612.35**	**648.74**

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2. Amount advanced to subsidiary and joint ventures is as disclosed in Annexure IV, B. 4.6.

3. Amount advanced to other related party represents dues from entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives as disclosed in Annexure IV. B. 4.6.

Other Current Assets

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	31 March, 2010	31 March, 2009	31 March, 2008
Interest accrued on others	68.69	63.56	50.06	220.27	164.13	85.14
Interest accrued on fixed deposits with banks	-	0.07	1.22	-	-	10.67
Unamortised anciliary costs for arranging the borrowings	31.54	40.00	32.61	-	-	-
Unbilled revenue	229.37	146.04	94.74	-	-	-
Others	27.84	35.89	-	-	-	-
Total	**357.44**	**285.56**	**178.63**	**220.27**	**164.13**	**95.81**

Amounts outstanding from Subsidiaries/Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
To Other related party	68.69	63.56	50.06	220.27	164.13	85.14
Total	**68.69**	**63.56**	**50.06**	**220.27**	**164.13**	**85.14**

Notes:

1.The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2. Amount advanced to other related party represents dues from entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives as disclosed in Annexure IV. B. 4.6.

Annexure XI - Restated Unconsolidated Statement of Inventories
[All amounts in Millions, except as otherwise stated]

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Raw materials	490.99	628.30	480.79	417.84	644.23	692.52
Stores and spares	214.91	208.48	173.39	123.04	140.19	117.28
Construction work-in-progress	274.76	360.06	395.15	442.15	555.01	309.28
Real estate under development	1,602.69	1,774.65	1,910.32	1,884.42	1,239.78	826.33
Finished goods	63.59	69.05	30.57	94.45	166.82	79.20
Total	**2,646.94**	**3,040.54**	**2,990.22**	**2,961.90**	**2,746.03**	**2,024.61**

Note:
The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

Annexure XII - Restated Unconsolidated Statement of Long term borrowings

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Term loans (Secured)						
From banks						
- Rupee loans	2,368.75	2,181.25	3,211.09	314.83	427.35	783.99
- Foreign currency loans	393.75	364.29	176.46	328.23	486.30	479.93
From others	0.18	0.18	-	777.67	60.59	108.11
Total	**2,762.68**	**2,545.72**	**3,387.55**	**1,420.73**	**974.24**	**1,372.03**

Notes:

1. The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

2. Amount Repayable within one year has been disclosed under Other Current liabilities, as under:

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Current portion of long term borrowings, included under "Other current liabilities"	1,978.28	1,655.65	863.75	1,424.64	2,555.98	866.76

3. For details of security, repayment and interest terms, refer Annexure IV - B. 4.1.

4. There are no long term loans outstanding from Joint Venture Company/ Promoter/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives.

Annexure XIII - Restated Unconsolidated Statement of Short term borrowings

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
From banks (Secured)						
- Cash credit	2,403.75	2,628.44	1,754.45	3,192.03	880.15	686.88
- Working capital demand loans	2,100.00	1,300.00	999.99	-	-	75.00
- Other Short term borrowings	-	-	759.99	-	-	-
From banks (Unsecured)						
- Other Short term borrowings	-	-	-	579.35	-	-
- Bank Overdraft	9.51	-	-	-	-	-
- 10.2% non convertible debentures of Rs. 1,000 each, redeemed on June 16, 2009	-	-	-	-	420.00	-
Total	**4,513.26**	**3,928.44**	**3,514.43**	**3,771.38**	**1,300.15**	**761.88**

Notes:

1. The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.
2. For details of security, repayment and interest terms, refer Annexure IV - B. 4.1.
3. The Company had issued 420,000, 10.2% unsecured, non - convertible debentures of Rs. 1,000 each on June 16, 2008. These debentures have been redeemed on June 16, 2009.
4. The Company has availed short term loan from Bank of Baroda (Nil as at September 30, 2012, March 31, 2012, March 31, 2011, Rs. 144.30 Million as at March 31, 2010 and Nil as at March 31, 2009, March 31, 2008). The rate of interest is 8 % per annum. The loan is repayable within 6 months from the date of loan.
5. The Company has availed short term loan from Corporation Bank (Nil as at September 30, 2012, March 31, 2012, March 31, 2011, Rs. 235.05 Million as at March 31, 2010 and Nil as at March 31, 2009, March 31, 2008). The rate of interest is 8.60 % per annum. The loan is repayable within 9 months from the date of loan.
6. The Company has availed short term loan from Ing Vysya Bank (Nil as at September 30, 2012, March 31, 2012, March 31, 2011, Rs. 200.00 Million as at March 31, 2010 and Nil as at March 31, 2009, March 31, 2008). The rate of interest is 9.50 % per annum. The loan is repayable within 3 months from the date of loan.

Annexure XIV - Restated Unconsolidated Statement of Other non current liabilites

[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Advances from customers	164.01	390.78	-	-	-	-
Mobilisation and material advances received	1,185.43	476.68	1,513.41	-	163.67	551.13
Capital creditors	55.71	-	-	-	-	-
Total	**1,405.15**	**867.46**	**1,513.41**	**-**	**163.67**	**551.13**

Note:

The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

Annexure XV - Restated Unconsolidated Statement of Trade Payables and Other Current Liabilities

[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Trade payables						
Trade payables	1,118.26	809.74	495.79	857.70	796.96	475.26
Total	**1,118.26**	**809.74**	**495.79**	**857.70**	**796.96**	**475.26**
Other current liabilities						
Current maturities of long term borrowings	1,978.28	1,655.65	863.75	1,424.64	2,555.98	866.76
Interest accrued and due on borrowings	-	-	4.30	-	-	1.22
Interest accrued but not due on borrowings	12.41	9.91	4.49	14.44	34.75	5.79
Advances from customers	1,060.24	1,183.68	1,388.92	689.28	-	-
Mobilisation and material advances received	1,538.00	1,641.77	219.11	169.64	1,077.68	295.47
Capital creditors	75.00	34.44	58.50	49.03	124.34	78.69
Retention money	113.45	100.14	63.31	60.55	45.17	21.18
Book overdraft	-	0.15	1.60	19.32	2.85	8.24
Statutory dues	59.89	77.90	25.35	80.92	54.02	29.75
Dues to joint ventures	-	-	-	163.17	129.25	115.66
Total	**4,837.27**	**4,703.64**	**2,629.33**	**2,670.99**	**4,024.04**	**1,422.76**

Note:

The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company.

Annexure XVI - Restated Unconsolidated Statement of Other Income

[Amounts in Indian Rupees in Million, unless otherwise Stated]

Particulars	For the six months ended September 30, 2012	For the year ended March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	Nature: Recurring/ Non Recurring	Related/ Other than normal business activity
Interest income on								
- Bank deposits	3.97	13.06	7.48	9.66	21.84	68.06	Recurring	Other than normal business activity
- Loans to related party	5.70	15.00	15.00	67.66	80.25	80.81	Recurring	Other than normal business activity
- Others	75.03	144.88	112.54	63.05	51.87	4.30	Recurring	Other than normal business activity
Equipment Hire charges	-	-	104.98	118.97	29.23	18.23	Recurring	Other than normal business activity
Excise duty draw back	-	-	10.23	130.89	73.50	133.57	Non-recurring	Other than normal business activity
Rental Income	2.22	3.15	1.49	-	-	-	Recurring	Other than normal business activity
Profit on disposal of current investments	-	-	1.02	-	-	15.49	Non-recurring	Other than normal business activity
Reversal of diminution in the value of non current investments	-	-	-	1.30	-	-	Non-recurring	Other than normal business activity
Insurance claims	-	-	-	-	-	7.05	Non-recurring	Other than normal business activity
Exchange differences (net)	0.75	3.40	-	-	23.55	-	Recurring	Other than normal business activity
Miscellaneous income	33.88	23.58	68.09	21.17	14.76	4.80	Non-recurring	Other than normal business activity
Total	**121.55**	**203.07**	**320.83**	**412.70**	**295.00**	**332.31**		

Notes:

1. The amounts disclosed above are based on the Restated Unconsolidated Statement of Profit and Loss of the Company.
2. The classification of other income as recurring/non-recurring, related/not-related to business activity is based on the current operations and business activities of the Company, as determined by the management.
3. Amount outstanding from other related party represents dues from entities owned by or where significant influence is exercised by Key Managerial Personnel or their relatives as disclosed in Annexure IV - B. 4.6.
4. Interest on others pertains to interest income accrued by the Company on claims made against customers.

Annexure XVII - Capitalisation Statement

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	Particulars	**Pre issue as at September 30, 2012**	**As adjusted for IPO (Refer Note 6 below)**
	Debt:		
A.	Long term debt	2,762.68	[●]
B.	Short term debt	4,513.26	[●]
	Total debt	**7,275.94**	[●]
	Shareholders' funds:		
C.	Equity share capital	248.57	[●]
D.	Reserves and surplus, as restated	7,356.49	[●]
E.	**Total shareholders' funds**	**7,605.06**	[●]
F.	**Long term debts / shareholders' funds ratio (A/E)**	**0.36**	[●]

Notes:

1. The above has been computed on the basis of the restated unconsolidated summary statements of the Company.
2. Short-term debt represents debts which are due within twelve months from the date of borrowing.
3. Long-term debt represents debt other than short-term debt, as defined above and excludes current maturities of long term debt payable within one year amounting to Rs. 1,978.28 Million.
4. Reserves and surplus represents securities premium received on issue of equity share capital, general reserve and balance in statement of profit and loss.
5. 12,428,668 equity shares of Rs. 10 each were alloted as fully paid up bonus shares by capitalization of balance in securities premium account on February 03, 2011.
6. The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building porcess and hence the same have not been provided in the above statement.

Annexure XVIII: Statement of Tax Shelters

[Amounts in Indian Rupees in Million, unless otherwise Stated]

	Particulars	For the six months ended September 30,	For the year ended March 31,				
		2012	2012	2011	2010	2009	2008
A	**Profit / (loss) before tax, as restated**	479.10	228.49	(68.33)	472.03	182.62	237.24
B	Statutory tax rate (including surcharge)	32.45%	32.45%	33.22%	33.99%	33.99%	33.99%
C	**Tax thereon at the above rate (A x B)**	155.44	74.30	(22.68)	160.29	62.19	80.64
D	**Permanent differences**						
	Dividend exempt under the Income Tax Act, 1961('IT Act')	-	-	-	-	-	(0.72)
	Profit on sale of investments, net	-	-	-	-	-	(15.49)
	Expenses disallowed	-	-	0.49	2.89	27.92	(26.83)
	Total (D)	-	-	0.49	2.89	27.92	(43.04)
E	**Timing differences**						
	Expenses allowable on payment basis	(2.42)	106.23	17.88	3.75	1.26	7.68
	Difference between depreciation as per books and depreciation as per the IT Act	64.05	98.22	121.68	40.72	(86.80)	6.51
	Profits on sale of assets	-	-	(1.30)	-	-	-
	Loss on sale of assets	-	-	0.25	1.45	-	-
	Provision for diminution in the value of investment	0.26	14.37	1.06	6.00	-	-
	Fixed assets written-off	-	-	-	10.90	-	-
	Provisions for doubtful debts and advances	-	31.43	-	(10.68)	10.68	-
	Total timing differences (E)	**61.89**	**250.25**	**139.57**	**52.14**	**(74.86)**	**14.19**
F	**Net adjustments (D+E)**	**61.89**	**250.25**	**140.06**	**55.03**	**(46.94)**	**(28.85)**
G	Tax saving / (liability) thereon **(F X B)**	(20.08)	(81.19)	(46.53)	(18.70)	15.96	9.80
H	Deferred tax charge/ (income) for the period/ year	(17.70)	(76.67)	(56.46)	(14.91)	30.46	(11.41)
I	Fringe Benefit	-	-	-	-	2.60	2.34
J	**Total tax expense for the year (C-G+H+I)**	**157.82**	**78.82**	**(32.61)**	**164.08**	**79.29**	**61.77**
K	Add: Tax on capital gains	-	-	-	-	-	2.27
L	**Tax expense on restated profit**	**157.82**	**78.82**	**(32.61)**	**164.08**	**79.29**	**64.04**

Note:

The figures disclosed above are based on the Restated Unconsolidated Summary Statement of Profit and loss of the Company.

Annexure XIX - Restated Unconsolidated Statement of Dividend

[Amounts in Indian Rupees in Million, unless otherwise Stated]

The Company has not paid dividend during six months ended September 30, 2012 and years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008.

Annexure XX - Restated unconsolidated statement of Accounting Ratios
[All amounts in Millions, except as otherwise stated]

	Particulars	As at and for the six months ended	As at and for the year ended				
		September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
	Basic and diluted earnings per share (in Rs.) (A/C) (Refer note 2(a) and (b) below)	23.00	18.25	21.56	31.48	16.18	18.69
	Return on net worth (%) (A/B) (Refer note 2(c) below)	7.52%	6.45%	8.14%	12.95%	7.64%	9.56%
	Net asset value per equity share (in Rs) (B/D) (Refer note 2(d) below)	305.95	282.95	264.70	243.14	211.66	195.48
A.	Net profit after tax, as restated attributable to equity shareholders	571.70	453.60	535.90	782.65	402.21	464.62
B.	Net worth, as restated at the end of the period/ year	7,605.06	7,033.36	6,579.76	6,043.87	5,261.22	4,859.01
C.	Weighted average number of equity shares considered for computing basic and diluted earnings per share (Refer Note 3 below)	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336
D.	Total number of equity shares outstanding at the end of the period/ year (Refer note 3 below)	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336

Notes:

1. The figures disclosed above are based on the Restated Unconsolidated Summary of Statements of the Company.

2. The accounting ratios have been computed using the formulas referred below:

(a) Basic earnings per share = $\frac{\text{Net profit, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/ year}}$

(b) Diluted earnings per share = $\frac{\text{Net profit, as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares outstanding during the period/ year}}$

(c) Return on net worth (%) = $\frac{\text{Net profit after tax, as restated}}{\text{Net worth, as restated, at the end of the period/ year}}$

(d) Adjusted net asset value per equity share = $\frac{\text{Net worth, as restated, at the end of the period/ year}}{\text{Adjusted number of equity shares outstanding at the end of period/ year}}$

3. Earnings per share is computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share" prescribed under the Companies (Accounting Standards) Rules 2006, as amended. As per AS 20, in case of bonus shares, the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. The Company has issued bonus shares, in the ratio of one share for every one share held, to the existing shareholders by way of capitalization of balance in securities premium account which has been approved at the annual general meeting held by the Company on September 30, 2010. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

4. During the year ended March 31, 2011, the Company issued bonus shares, in the ratio of one equity share for every one share held, to the existing shareholders by way of capitalization of balance in share premium account which has been approved at the annual general meeting held by the Company on September 30, 2010.

5. Net worth for ratios mentioned above is note 2 represents sum of Equity Share Capital and Reserves and Surplus (Securities Premium, General Reserve, Debenture Redemption Reserve, Housing Project Reserve and Statement of Profit and Loss).

Auditors' report as required by Part II of Schedule II to the Companies Act, 1956

The Board of Directors
BSCPL Infrastructure Limited
JIVI Towers, 8-2-502/1/A, Road No 7
Banjara Hills,
Hyderabad -500 034

Dear Sirs,

1. We have examined the Restated Consolidated Summary Statement of Assets and Liabilities as at September 30, 2012, March 31, 2012, 2011, 2010, 2009 and 2008 and Statement of Profit and Loss and Statement of Cash Flows for six month ended September 30, 2012 and for each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008 for BSCPL Infrastructure Limited (the "Company") and its subsidiaries and joint ventures (together referred to as (the "Group") (collectively the "Restated Consolidated Summary Statements") annexed to this report for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer ("IPO"). Such summary statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

    a) paragraph B(1) of Part II of Schedule II to the Companies Act, 1956 (the "Act"); and

    b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2. We have examined such restated consolidated summary statements taking into consideration:

    a) the terms of our engagement agreed with you vide our engagement letter dated November 26, 2012, requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO; and

    b) the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an IPO for the fresh issue and an offer for sale to investors of equity shares of Rs.10 each at such premium, arrived at by the 100% book building process (referred to as the "Issue"), as may be decided by the Board of Directors of the Company.

4. The restated consolidated summary statements have been compiled by the management from:

    a) The audited consolidated financial statements of the Group as at and for the six months ended September 30, 2012, and as at and for the year ended March 31, 2012, which have been jointly audited by us. As stated in our auditor's report thereon,

        - we did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs. 26,825.95 million as at September 30, 2012, the total revenue of Rs. 8,836.42 million for the six months ended September 30, 2012 and cash flows amounting to Rs. 545.82 million for six months ended September 30, 2012 and

- we did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs. 25,575.32 million as at March 31, 2012, the total revenue of Rs. 7,375.12 million for the year ended March 31, 2012 and cash flows amounting to Rs. 259.01 million for the year ended March 31, 2012.

These financial statements and other financial information had been audited by other auditors whose reports have been furnished to us, and our opinions on the consolidated financial statements of the Company, in respect thereof, were based solely on the report of other auditors;

b) The audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2011, 2010 and 2009 which have been audited by the Company's previous joint auditors, Walker, Chandiok & Co. and Anjaneyulu & Co., whose auditors' reports on these financial statements have been relied upon by us.

As indicated in the auditor's reports referred to above, the auditors did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs 14,386.84 million as at March 31, 2011, total assets of Rs 12,065.42 million as at March 31, 2010, total assets of Rs 9,071.92 million as at March 31, 2009, the total revenue of Rs 7,606.11 million for the year ended March 31, 2011, the total revenue of Rs 7,393.75 million for the year ended March 31, 2010 and the total revenue of Rs 4,958.01 million for the year ended March 31, 2009 and cash flows amounting to Rs 177.58 million for the year then ended March 31, 2011, cash flows amounting to Rs 308.93 million for the year March 31, 2010 and cash flows amounting to Rs 585.72 million for the year ended March 31, 2009. Those financial statements and other financial information had been audited by other auditors whose reports have been furnished to them, and their opinions on the consolidated financial statements of the Company, in respect thereof, were based solely on the report of other auditors;

c) The audited consolidated financial statements of the Group as at and for the year ended March 31, 2008 which has been audited by the Company's earlier auditors, S.R. Batliboi & Associates (SRBA), whose auditors' report on the financial statements have been relied upon by us.

As indicated in the auditor's report referred to above, the auditors did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs 1,322.76 million as at March 31, 2008, the total revenue of Rs 4,526.23 million for the year ended March 31, 2008 and cash out flows amounting to Rs 211.09 million for the year ended March 31, 2008. Those financial statements and other financial information had been audited by other auditors whose reports have been furnished to them, and their opinion on the consolidated financial statement of the Company, in respect thereof, was based solely on the report of those other auditors;

d) The audited consolidated financial statements of the Group for each of the years ended March 31, 2011, 2010 and 2009 prepared in accordance with accounting principles generally accepted in India at the relevant time for the purpose of presentation of the restated consolidated summary statements under the requirements of revised schedule VI of the Act and approved by the board in its board meeting held on February 21, 2013, all of which have been audited solely by Anjaneyulu & Co and whose auditors' report on these financial statements have been relied upon by us.

As indicated in the auditor's reports referred to above, the auditors did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs 14,386.84 million as at March 31, 2011, total assets of Rs 12,065.42 million as at March 31, 2010, total assets of Rs 9,071.92 million as at March 31, 2009, the total revenue of Rs 7,606.11 million for the year ended March 31, 2011, the total revenue of Rs 7,393.75 million for the year ended March 31, 2010 and the total revenue of Rs 4,958.01 million for the year ended March 31, 2009 and cash flows amounting to Rs 177.58 million for the year then ended March 31, 2011, cash flows amounting to Rs 308.93 million for the year March 31, 2010 and cash flows amounting to Rs 585.72 million for the year ended March 31, 2009. Those financial statements and other financial information had been audited by other auditors whose reports have been furnished to them, and their opinions on the consolidated financial statements of the Company, in respect thereof, were based solely on the report of other auditors.

e) The audited consolidated financial statements of the Group for the year ended March 31, 2008 prepared in accordance with accounting principles generally accepted in India at the relevant time for the purpose of presentation of the restated consolidated summary statements under the requirements of revised schedule VI of the Act and approved by the board in its board meeting held on February 21, 2013, which had been audited by SRBA and whose auditors' report on the financial statements have been relied upon by us.

As indicated in the auditors' report referred to above, the auditors did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs. 1,322.76 million as at March 31, 2008, the total revenue of Rs. 4,526.23 million for the year ended March 31, 2008 and cash out flows amounting to Rs. 211.09 million for the year ended March 31, 2008. Those financial statements and other financial information had been audited by other auditors whose reports have been furnished to them, and their opinion on the consolidated financial statements of the company, in respect thereof, was based solely on the report of those other auditors.

5. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the Regulations and terms of our engagement agreed with you, we report that:

   Read with paragraph 4 above, we have examined the restated consolidated summary statements of assets and liabilities of the Company as at September 30, 2012, March 31, 2012, 2011, 2010, 2009, and 2008 and the related restated consolidated summary statements of profit and loss and cash flows for the six months ended September 30, 2012 and for each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008 (collectively, the "Restated Consolidated Summary Statements") and as set out in Annexures I to III.

6. Based on our examination, our audit of the consolidated financial statements for the six months ended September 30, 2012 and year ended March 31, 2012 as referred to in paragraph 4(a) above and the reliance placed on the reports of the auditors as referred to in 4(b), 4(c), 4(d) and 4(e) above and on the reports of the auditors of the subsidiaries and joint ventures not audited by us as referred to in paragraph 4(a) above to the extent applicable, we further report that

   a) The restated consolidated profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in section 3.1 and 3.2 of Annexure IV. B to this report;

   b) The impact arising on account of changes in accounting policies adopted by the Group as at and for the six months ended September 30, 2012 is applied with retrospective effect in the Restated Consolidated Summary Statements;

   c) Adjustments for the material amounts in the respective financial years/period to which they relate have been adjusted in the attached Restated Consolidated Summary Statements;

d) There are no extraordinary items which need to be disclosed separately in the Restated Consolidated Summary Statements;

e) There are no qualifications in the auditors' reports on the consolidated financial statements of the Company as at and for the six months ended September 30, 2012 and each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008 except for the qualification as below for the year ended March 31, 2010, which does require any adjustments in the Restated Consolidated Summary Statements.

"The accompanying consolidated financials statements as at and for the year ended March 31, 2010 include the unaudited financials statements of BSCPL International FZE whose unaudited financial statements reflect aggregate total assets of Rs. 635.15 million as at March 31, 2010 and aggregate total revenue of Rs. 117.41 million and net cash outflows amounting to Rs. 23.25 million for the year then ended. The accompanying financial statements do not include adjustments, if any that may be required had the financial statements of the aforesaid subsidiary been audited"

f) Emphasis of matter in the consolidated financial statements which does not require any corrective adjustment in the restated consolidated summary statements, are as follows:

(i) Auditors' report for the six months ended September 30, 2012 included following emphasis of matter:

We draw attention to Note 31 (a) of Notes to the consolidated financial statements for six months ended September 30, 2012 regarding claims amounting to Rs. 2,384.52 million outstanding as at September 30, 2012 including a sum of Rs. 75.03 million recognized as income during the current six months ended September 30, 2012 based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and being subject matter of arbitration/judiciary, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements. Our opinion is not qualified in respect of this matter.

(ii) Auditors' report for the year ended March 31, 2012 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 31 (a) of Notes to the consolidated financial statements for the year ended March 31, 2012 regarding claims amounting to Rs. 2,309.49 million (March 31, 2011: Rs. 2,599.14 million) outstanding as at March 31, 2012 including a sum of Rs. 196.21 million (March 31, 2011: Rs. 941.46 million) recognized as income during the current year based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and being subject matter of arbitration/judiciary, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements.

(iii) Auditors' report for the year ended March 31, 2011 included following emphasis of matter:

(1) Without qualifying our opinion we draw attention to note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 2,857.89 million (March 31, 2010: Rs. 1,716.38 million) outstanding as at March 31, 2011, including a sum of Rs. 941.46 million (March 31, 2010: Rs.787.69 million) recognised as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration, the Group Company has assessed the recoverability of these claims based on dispute resolution board, arbitration tribunal orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized, accordingly no adjustments have been made in these consolidated statements.

(2) Without qualifying our opinion, we draw attention to note 14 on Schedule 23 to the consolidated financial statements, regarding management's assessment of carrying value of real estate under development aggregating to Rs. 548.82 million in a project. On the basis of such assessment, management is of the opinion that the realizable value of such inventory is expected to be higher than the current carrying value, accordingly no adjustments have been made in these consolidated financial statements.

(3) Without qualifying our opinion, we draw attention to note 15 on Schedule 23 to the consolidated financial statements regarding duty drawback claims amounting to Rs. 155.51 million outstanding as at March 31, 2011, including a sum of Rs.10.23 million recognised as income during the current year. The Group has assessed the recoverability of these claims based on a legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full, accordingly no adjustments have been made in these consolidated financial statements.

(iv) Auditors' report for the year ended March 31, 2010 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 1,716.38 million outstanding as at March 31, 2010, including a sum of Rs. 787.69 million recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitrations / dispute, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly, no adjustments have been made in these consolidated financial statements.

(v) Auditors' report for the year ended March 31, 2009 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note no. 8 on Schedule 24 to the consolidated financial statements regarding claims recognised by the Company for an amount aggregating to Rs. 360.82 million based on the terms and conditions implicit in the contract. The Claims being technical in nature and being subject matter of arbitrations/dispute, the Company has, assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment the management is of the opinion that the claims are tenable and would be realized, accordingly no adjustments have been made in these consolidated financial statements in this regard.

(vi) Auditors' report for the year ended March 31, 2008 included following emphasis of matter:

Without qualifying our opinion, we draw attention to Note no. 8 on Schedule 22 to the consolidated financial statements regarding certain claims recognized by the Company during the year ended March 31, 2007 for an amount aggregating to Rs. 182.79 million based on the terms and conditions implicit in the respective contract. The claims being technical in nature and being the subject matter of arbitrations/dispute, the Company has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment Management is of the opinion that the claims are tenable and the entire amounts recorded as income would be realized.

7. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexure IV. B, and after making adjustments and re-groupings as considered appropriate and disclosed in Annexures IV.B – 3.1 and 3.2, have been prepared in accordance with Part II of Schedule II of the Act and the Regulations.

8. We have not audited any financial statements of the Group as of any date or for any period subsequent to September 30, 2012. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to September 30, 2012.

Other Financial Information:

9. At the Company's request, we have also examined the following restated consolidated summary statements proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for the six months ended September 30, 2012 and as at and for each of the years ended March 31, 2012, 2011, 2010, 2009 and 2008:

   i. Restated Consolidated Statement of Non-Current Investments, enclosed as Annexure V
   ii. Restated Consolidated Statement of Current Investments, enclosed as Annexure VI
   iii. Restated Consolidated Statement of Trade Receivables - Non Current, enclosed as Annexure VII
   iv. Restated Consolidated Statement of Trade Receivables - Current, enclosed as Annexure VIII
   v. Restated Consolidated Statement of Long-term Loans and Advances and Other Non-current assets, enclosed as Annexure IX
   vi. Restated Consolidated Statement of Short-term Loans and Advances and Other current Assets, enclosed as Annexure X
   vii. Restated Consolidated Statement of Inventories, enclosed as Annexure XI
   viii. Restated Consolidated Statement of Long term borrowings, enclosed as Annexure XII
   ix. Restated Consolidated Statement of Short Term Borrowings, enclosed as Annexure XIII
   x. Restated Consolidated Statement of Other Non Current liabilities, enclosed as Annexure XIV
   xi. Restated Consolidated Statement of Trade Payables and Other Current Liabilities, enclosed as Annexure XV
   xii. Restated Consolidated Statement of Other Income, enclosed as Annexure XVI
   xiii. Capitalisation statement, as appearing in Annexure XVII
   xiv. Restated Consolidated Statement of Accounting Ratios, enclosed as Annexure XVIII

10. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as an opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **S R B C & CO**
Chartered Accountants
Firm Registration No:324982E

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place: Hyderabad
Date: February 21, 2013

For **Anjaneyulu & Co.**
Chartered Accountants
Firm Registration No: 000180S

per **D.V. Anjaneyulu**
Partner
Membership No. 021036

Place: Hyderabad
Date: February 21, 2013

Annexure I

Restated Consolidated Summary Statement of Assets and Liabilities

[All amounts in Millions, except as otherwise stated]

	Particulars	As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
A.	**Non-current assets**						
	Fixed assets						
	Tangible assets	5,599.27	5,497.70	4,741.01	5,051.42	4,780.80	3,534.22
	Intangible assets	3,695.05	3,816.67	-	-	-	-
	Capital work-in-progress	115.81	81.18	540.74	384.17	604.12	734.14
	Intangible assets under development	12,142.92	7,334.40	4,884.40	2,857.96	1,379.39	465.16
	Non-current investments	30.00	30.00	24.00	24.00	30.00	1.46
	Long-term loans and advances	2,012.59	2,155.65	857.96	902.59	699.85	605.67
	Trade receivables	413.29	375.05	443.86	645.11	331.38	83.59
	Other non-current assets	3,538.26	3,481.49	2,164.30	1,721.32	862.18	841.05
		27,547.19	**22,772.14**	**13,656.27**	**11,586.57**	**8,687.72**	**6,265.29**
B.	**Current assets**						
	Current investments	0.87	1.13	1.50	2.68	1.38	2.21
	Inventories	6,024.28	6,545.73	7,769.18	6,643.99	5,376.28	3,499.75
	Trade receivables	1,336.81	1,250.20	999.74	1,612.37	1,701.97	1,096.94
	Cash and bank balances	511.89	1,243.87	1,131.44	739.67	1,071.40	794.57
	Short-term loans and advances	3,931.07	3,083.44	2,217.43	2,771.04	2,313.06	1,956.53
	Other current assets	357.71	285.75	178.75	220.97	165.36	96.89
		12,162.63	12,410.12	12,298.04	11,990.72	10,629.45	7,446.89
C.	**TOTAL ASSETS**	**39,709.82**	**35,182.26**	**25,954.31**	**23,577.29**	**19,317.17**	**13,712.18**
D.	**Minority interest**	305.60	390.98	720.15	558.44	409.07	257.29
E.	**Non-current liabilities**						
	Long-term borrowings	16,581.02	12,752.69	7,167.96	3,950.54	2,652.01	2,086.28
	Deferred tax liabilities (net)	364.16	394.30	458.00	478.45	392.47	326.79
	Other non current liabilities	1,141.92	1,662.11	2,351.62	814.44	1,024.73	839.84
	Long-term provisions	83.18	55.21	17.19	15.70	8.41	2.38
		18,170.28	**14,864.31**	**9,994.77**	**5,259.13**	**4,077.62**	**3,255.29**
F.	**Current liabilities**						
	Short-term borrowings	4,550.04	3,928.44	3,523.67	3,776.50	1,320.46	779.70
	Trade payables	2,473.37	2,228.13	1,762.28	2,633.50	2,026.35	1,157.43
	Other current liabilities	6,604.94	6,841.61	3,285.77	5,176.99	6,265.68	3,390.84
	Short-term provisions	228.74	92.22	137.76	182.83	25.46	41.81
		13,857.09	**13,090.40**	**8,709.48**	**11,769.82**	**9,637.95**	**5,369.78**
G.	**TOTAL LIABILITIES**	**32,332.97**	**28,345.69**	**19,424.40**	**17,587.39**	**14,124.64**	**8,882.36**
H.	**Net Worth (C-G)**	**7,376.85**	**6,836.57**	**6,529.91**	**5,989.90**	**5,192.53**	**4,829.82**
	Net worth represented by Shareholders' funds						
I.	Equity share capital	248.57	248.57	248.57	124.29	124.29	124.29
J.	**Reserves and surplus:**						
	Securities premium	1,942.89	1,942.89	1,942.89	2,067.18	2,067.18	2,067.18
	Foreign currency transalation reserve	5.23	5.37	(12.97)	(13.05)	(3.54)	-
	General Reserve	1,265.56	1,265.56	1,265.56	1,265.56	1,182.71	1,180.47
	Debenture redemption reserve	-	-	-	-	82.85	-
	Housing project reserve	-	-	-	-	-	2.24
	Statement of profit and loss	3,914.60	3,374.18	3,085.86	2,545.92	1,739.04	1,455.64
	Total Reserves and surplus	**7,128.28**	**6,588.00**	**6,281.34**	**5,865.61**	**5,068.24**	**4,705.53**
	Net worth	**7,376.85**	**6,836.57**	**6,529.91**	**5,989.90**	**5,192.53**	**4,829.82**

Note:

The above statement should be read with Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

As per our report of even date.

For **S R B C & CO**
Firm Registration No. 324982E
Chartered Accountants

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place : Hyderabad
Date : February 21, 2013

For **Anjaneyulu & Co**
Firm Registration No. 000180S
Chartered Accountants

per **D.V. Anjaneyulu**
Partner
Membership No. 021306

Place : Hyderabad
Date : February 21, 2013

For and on behalf of the Board of Directors
BSCPL Infrastructure Limited

B. Krishnaiah
Chairman

B. Seenaiah
Managing Director

AVBR Narasimham
Chief Financial Officer

B. S. Bhaskar
Company Secretary

Place : Hyderabad
Date : February 21, 2013

Annexure II

Restated Consolidated Summary Statement of Profit and Loss

[All amounts in Millions, except as otherwise stated]

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Revenue from Operations						
Revenue from construction contracts	10,391.27	15,626.79	10,067.37	13,933.61	9,562.09	7,131.81
Revenue from Real estate development	1,065.75	2,032.53	1,573.36	-	-	-
Toll Revenue from BOT Projects	606.52	473.46	-	-	-	-
Revenue from maintenance contract	125.12	58.52	-	-	-	-
Sale of metals	33.04	74.62	235.48	407.94	554.84	292.75
Revenue from operations (net)	**12,221.70**	**18,265.92**	**11,876.21**	**14,341.55**	**10,116.93**	**7,424.56**
Other income	144.76	264.91	362.70	331.86	345.21	490.61
Total (I)	**12,366.46**	**18,530.83**	**12,238.91**	**14,673.41**	**10,462.14**	**7,915.17**
Expenses:						
Cost of raw material and components consumed	3,052.10	3,707.09	4,333.07	6,894.55	4,211.31	2,678.29
(Increase)/decrease in inventories of work-in-progress, real estate under development and finished goods	236.04	1,533.65	(1,058.45)	(1,443.41)	(1,564.32)	(1,000.45)
Subcontract expenses	3,376.76	5,393.62	1,957.10	1,707.28	2,315.12	2,318.24
Employee benefits expense	888.57	1,540.69	1,345.83	1,353.41	1,045.48	672.05
Other expenses	1,924.04	3,047.87	2,635.16	3,112.78	2,582.59	1,746.39
Total (II)	**9,477.51**	**15,222.92**	**9,212.71**	**11,624.61**	**8,590.18**	**6,414.52**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)	**2,888.95**	**3,307.91**	**3,026.20**	**3,048.80**	**1,871.96**	**1,500.65**
Depreciation and amortization expense	522.66	861.04	648.34	622.79	459.11	346.85
Finance costs	1,566.48	2,028.80	1,542.18	1,103.71	789.79	506.83
Restated profit before tax	**799.81**	**418.07**	**835.68**	**1,322.30**	**623.06**	**646.97**
Tax expenses/ (credit)						
Current tax	374.90	312.95	316.20	429.45	191.61	175.99
Deferred tax	(30.14)	(63.70)	(20.45)	85.98	65.68	14.76
Total tax expense	**344.76**	**249.25**	**295.75**	**515.43**	**257.29**	**190.75**
Profit after tax before minority interest	**455.05**	**168.82**	**539.93**	**806.87**	**365.77**	**456.22**
Less: Share of Minority Interest	(85.37)	(119.51)	-	-	(0.49)	-
Restated Profit for the period/ year	**540.42**	**288.33**	**539.93**	**806.87**	**366.26**	**456.22**

Note:

The above statement should be read with Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

As per our report of even date.

For **S R B C & CO**
Firm Registration No. 324982E
Chartered Accountants

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

Place : Hyderabad
Date : February 21, 2013

For Anjaneyulu & Co
Firm Registration No. 000180S
Chartered Accountants

per D.V. Anjaneyulu
Partner
Membership No. 021306

Place : Hyderabad
Date : February 21, 2013

For and on behalf of the Board of Directors
BSCPL Infrastructure Limited

B. Krishnaiah
Chairman

B. Seenaiah
Managing Director

AVBR Narasimham
Chief Financial Officer

B. S. Bhaskar
Company Secretary

Place : Hyderabad
Date : February 21, 2013

Annexure III

Restated Consolidated Summary Cash flow statement

[All amounts in Millions, except as otherwise stated]

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
A. Cash flow from operating activities						
Profit before tax	799.81	418.07	835.68	1,322.30	623.06	646.97
Adjustments for:						
Depreciation and amortization	522.66	861.04	648.34	622.79	459.11	346.85
Impairment loss on fixed assets	-	35.42	-	-	-	-
Fixed assets written off	-	-	-	10.90	-	-
Loss on sale of fixed assets	2.46	15.58	7.79	8.98	0.86	2.77
Bad debts/Advances written off	0.57	24.35	35.89	1.08	10.68	38.72
Duty draw back claim receivable written off	-	33.96	33.34	-	-	-
Provision for defect liability expense	10.98	16.65	-	12.50	-	-
Provision for major maintenance	15.00	30.00	-	-	-	-
Provision for doubtful receivables and advances	-	31.43	-	-	-	-
Provision for diminution other than temporary in the carrying value of long term investment	-	-	-	6.00	-	-
Reversal of diminution in the value of current/ non current investments	-	(6.00)	-	(1.30)	-	-
Diminution in the value of current investments	0.26	0.37	1.06	-	2.29	0.91
Profit on disposal of current investments	-	-	(1.02)	-	-	(15.49)
Dividend income	-	-	-	-	-	(0.72)
Interest income	(88.27)	(176.76)	(177.45)	(103.71)	(148.37)	(144.84)
Interest expense	1,389.73	1,757.23	1,323.57	913.73	645.80	403.60
Operating profit before working capital changes	**2,653.20**	**3,041.34**	**2,707.20**	**2,793.27**	**1,593.43**	**1,278.77**
(Increase) / decrease in inventories	521.45	1,223.45	(1,125.19)	(1,267.71)	(1,876.53)	(1,409.10)
(Increase) / decrease in trade receivables	(124.84)	(220.90)	777.99	(225.20)	(863.50)	(141.52)
(Increase)/ decrease in non current loans and advances	(147.60)	(154.59)	(30.96)	(68.54)	0.15	163.08
(Increase)/ decrease in current loans and advances	(21.11)	(481.24)	235.77	(49.01)	(239.05)	(392.54)
(Increase)/ decrease in other current assets	(66.82)	(95.86)	(149.47)	(19.36)	(4.32)	(5.30)
(Increase)/ decrease in other non current assets	23.87	(1,195.19)	(296.14)	(820.13)	26.01	4.47
Increase/ (decrease) in short term provisions	21.21	(62.19)	(45.08)	144.87	(15.95)	(43.17)
Increase/ (decrease) in long term provisions	12.96	8.03	1.49	7.09	6.01	0.76
Increase/ (decrease) in trade payables	245.24	464.58	(907.20)	607.15	868.92	302.15
Increase/ (decrease) in non current liabilities	(575.91)	(689.51)	1,537.18	(210.29)	184.89	839.84
Increase/ (decrease) in current liabilities	(282.79)	2,021.93	(1,269.96)	217.24	976.57	(190.67)
Cash generated from operations	**2,258.86**	**3,859.85**	**1,435.63**	**1,109.38**	**656.63**	**406.77**
Direct taxes paid (net of refunds)	(173.68)	(541.82)	(374.45)	(403.77)	(244.55)	(187.53)
Net cash from operating activities	**2,085.18**	**3,318.03**	**1,061.18**	**705.61**	**412.08**	**219.24**
B. Cash flow from investing activities						
Additions to fixed assets	(5,524.64)	(7,981.70)	(2,308.16)	(2,468.75)	(2,861.10)	(1,791.29)
(Investment)/ withdrawal in fixed deposits (net)	(28.52)	(28.69)	5.71	47.37	54.14	(157.24)
Proceeds from sale of fixed assets	24.09	57.87	28.72	61.51	374.20	41.35
Proceeds from sale of Investments	-	-	1.13	-	-	24.67
Purchase of non current investments	-	-	-	-	(30.00)	-
Loans and advances to related parties (net)	(849.52)	(418.74)	346.28	(408.48)	(117.48)	(457.65)
Dividend income received	-	-	-	-	-	0.72
Interest received	8.11	43.62	216.77	29.03	37.09	56.79
Net cash used in investing activities	**(6,370.48)**	**(8,327.64)**	**(1,709.55)**	**(2,739.32)**	**(2,543.15)**	**(2,282.65)**
C. Cash flow from financing activities						
Proceeds from long term borrowings	4,923.93	7,534.48	4,588.77	3,243.71	3,164.61	2,140.33
Repayment of long term borrowings	(734.74)	(1,125.27)	(2,021.70)	(3,169.55)	(802.67)	(755.87)
Proceeds/ (repayment) from short term borrowings (net)	621.61	404.77	(252.83)	2,456.05	540.76	(59.03)
Proceeds from issue of share capital	-	-	-	-	-	1,250.00
Contribution by a minority shareholder	-	-	37.88	148.63	152.28	257.04
Interest paid	(1,280.26)	(1,738.96)	(1,312.40)	(919.98)	(589.40)	(413.75)
Net cash from financing activities	**3,530.54**	**5,075.02**	**1,039.72**	**1,758.86**	**2,465.58**	**2,418.72**

D. Foreign currency translation adjustments	(0.14)	18.33	0.08	(9.50)	(3.54)	-
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**(754.90)**	**83.74**	**391.43**	**(284.35)**	**330.97**	**355.31**
Cash and cash equivalents at the beginning of the period/ year	1,102.00	1,018.25	626.82	911.17	580.21	224.90
Cash and cash equivalents at the end of the period/ year	**347.10**	**1,101.99**	**1,018.25**	**626.82**	**911.18**	**580.21**

Components of cash and bank balances	**As at September 30,**	**As at March 31,**				
	2012	**2012**	**2011**	**2010**	**2009**	**2008**
Cash and cash equivalents						
Cash on hand	46.00	31.12	18.52	29.96	22.50	16.56
Balances with banks						
- on current accounts	259.20	676.85	890.01	595.53	832.13	337.56
- Deposits with original maturity of less than three months	-	198.04	106.27	1.33	56.55	226.09
- Deposits with original maturity for more than 12 months	80.10	96.59	83.46	98.42	97.87	132.51
- Deposits with original maturity for more than 3 months but less than 12 months	62.13	14.45	13.23	14.43	62.35	81.85
- Deposits with original maturity of less than three months under lien	22.52	30.84	16.50	-	-	-
Cheques on hand	41.94	195.98	3.45	-	-	-
Total cash and cash equivalents	**511.89**	**1,243.87**	**1,131.44**	**739.67**	**1,071.40**	**794.57**
Less: Fixed deposits considered as restricted cash	164.79	141.88	113.19	112.85	160.22	214.36
Total Cash and bank balances	**347.10**	**1,101.99**	**1,018.25**	**626.82**	**911.18**	**580.21**

Notes:

1. The above statement should be read with Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

2. Restated Consolidated Cash Flow statement has been prepared under the 'Indirect method' as set out in Accounting Standard -3 on Cash Flow Statements as notified by Companies (Accounting Standards) Rules, 2006.

As per our report of even date.

For **S R B C & CO**
Firm Registration No. 324982E
Chartered Accountants

per **Jayanta Mukhopadhyay**
Partner
Membership No. 055757

For **Anjaneyulu & Co**
Firm Registration No. 000180S
Chartered Accountants

per **D.V. Anjaneyulu**
Partner
Membership No. 021306

For and on behalf of the Board of Directors
BSCPL Ifnrastructure Limited

B. Krishnaiah
Chairman

B. Seenaiah
Managing Director

AVBR Narasimham
Chief Financial Officer

B. S. Bhaskar
Company Secretary

Place : Hyderabad
Date : February 21, 2013

Place : Hyderabad
Date : February 21, 2013

Place : Hyderabad
Date : February 21, 2013

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

A. BACKGROUND

1. BSCPL Infrastructure Limited ('the Company' or 'BSCPL') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company together with its subsidiaries and joint ventures (collectively termed as 'the Group' or 'the consolidated entities') is primarily engaged in the business of infrastructure development and execution of engineering, procurement and construction (EPC) facilities in various infrastructure projects in roads, large scale bridge works and irrigation for Central / State Governments, other local bodies and private sector. The Group is also engaged in development of real estate projects and highways on Build, Operate and Transfer (BOT)/Design, Build, Finance, Operate and Transfer (DBFOT) model on annuity or toll basis.

2. The Restated Consolidated summary statement of assets and liabilities of the Group as at September 30, 2012, March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 and the related restated consolidated summary statement of profit and loss and cash flows for the six months ended September 30, 2012 and the years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009, and March 31, 2008 [herein after collectively referred to as 'Restated consolidated summary statements')] have been extracted by the management from the audited financial statements of the Group for the six months ended September 30, 2012 and years ended March 31, 2012, March 31 2011, March 31 2010, March 31, 2009, and March 31, 2008, for inclusion in the Draft Red Herring Prospectus ("DRHP") to be filed with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offering ("IPO") of equity shares having a face value of Rs.10 each at an issue price to be arrived at by a book building process (the 'Issue').

The restated consolidated summary statements have been prepared to comply in all material respects with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ('the Regulations').

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE GROUP IN THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2012

1. Basis of preparation of financial statements

The restated consolidated summary statements have been prepared by applying the necessary adjustments to the financial statements of the Group. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting under the Companies Act, 1956 and the accounting principles generally accepted in India ('Indian GAAP') and comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006, (as amended), to the extent applicable. The accounting policies have been consistently applied by the Group and are consistent with those used for the purpose of preparation of financial statements as at and for the six months ended September 30, 2012.

Presentation and disclosure of financial statements

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Group, for preparation and presentation of its financial statements. Accordingly the Group has presented the financial statements as at September 30, 2012, March 31, 2012 and for the period/year then ended along with the comparatives as at March 31, 2011 and for the year then ended following the requirement of revised Schedule VI. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Group has also reclassified the previous year figures pertaining to year ended March 31, 2010, March 31, 2009 and March 31, 2008 in accordance with the requirements of revised Schedule VI.

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

The Group has prepared these restated consolidated Summary Statements along with related notes in accordance with the requirements of the Guidance Notes on revised Schedule VI and has reclassified previous year figures accordingly.

2. Summary of Significant Accounting Policies

a. Principles of consolidation

Investments in subsidiaries and joint ventures in the consolidated financial statements are accounted for in accordance with the accounting principles as defined in the Accounting Standard - 21 "Consolidated financial statements" and Accounting Standard - 27 “Financial reporting of Interests in Joint Ventures” notified by Companies (Accounting Standards) Rules, 2006, (as amended) respectively. The consolidated financial statements are prepared on the following basis:

i. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances, intra-group transactions and unrealized profit or loss, except where cost cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.

ii. Interests in the assets, liabilities, income and expenses of the Joint Ventures are consolidated using proportionate consolidation method. Intra group balances, intra-group transactions and unrealized profit or loss are eliminated to the extent of the Group’s proportionate share.

iii. The BOT/DBFOT contracts are governed by “service concession agreements” with government authorities (grantor). Under these agreements, the operator does not own the road, but gets “toll collection rights” / “right to receive annuity” against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against “toll collection rights “/ “right to receive annuity”, profit from such contracts is considered as realised.

    Accordingly, BOT/DBFOT contracts awarded to group companies (operator), where work is subcontracted to the Company / joint ventures, the intra group transactions on BOT/DBFOT contracts and the profits arising thereon are taken as realised and not eliminated.

iv. The difference between the cost to the Group of investment in Subsidiaries and Joint Ventures and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment annually.

v. Minorities’ interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding company.

vi. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.

vii. The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

viii. As per Accounting Standard 21 – "Consolidated financial statements" notified by Companies (Accounting Standards) Rules, 2006 (as amended), only those notes involving items which are material to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiaries, joint ventures and/or the parent having no bearing on the true and fair view of the consolidated financial statements, is not disclosed in the consolidated financial statements.

The consolidated financial statements as at and for the six months ended September 30, 2012 and as at and for the years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 have been prepared on the basis of the financial statements of the following subsidiaries and joint venture entities:

Name of the subsidiary / joint venture entity	Country of incorporation	% of interest					
		As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
Subsidiaries of BSCPL							
BSCPL Infra Projects Limited (BIPL)	India	100%	100%	100%	100%	100%	100%
BSCPL International FZE (BIF)	United Arab Emirates	100%	100%	100%	100%	100%	100%
BSCPL Realty Limited	India	-	-	-	100%	100%	100%
BSCPL Aurang Tollway Limited (BATL)	India	100%	100%	-	-	-	-
BSC-C&C Kurali Tollway Limited (BKTL)	India	-	-	-	-	-	51%
Subsidiaries of BIPL							
BSCPL Godhra Tollway Limited (BGTL)	India	100%	100%	100%	100%	-	-
BSC-C&C Kurali Toll Road Limited (BKTL)	India	51%	51%	51%	51%	51%	-
Joint ventures of BIF ((Association of persons /incorporated entities)							
Green Desert Venture Limited	United Arab Emirates	70%	70%	70%	70%	-	-
Green Desert Venture Inc.	Bahamas	70%	70%	70%	70%	-	-
Progressive International Holding Inc.	British Virgin Islands	70%	70%	70%	70%	-	-
Bollineni Developers (JV)	United Arab Emirates	-	-	70%	70%	70%	70%

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Joint Ventures of BSCPL							
BSC-KGLC	India	60%	60%	60%	60%	60%	60%
BSC – KGLC, Airport JV	India	90%	90%	90%	90%	90%	-
BSC - C&C	India	50%	50%	50%	50%	50%	50%
BSC-RBM-PATI	India	50%	50%	50%	50%	50%	50%
BSCPL- SCL	India	50%	50%	50%	50%	50%	50%
CR18G-BSCPL	India	50%	50%	50%	50%	50%	50%
SOMA –BSCPL (JV)	India	50%	50%	50%	50%	50%	50%
SCL-BSCPL	India	35%	35%	35%	35%	35%	35%
North Bihar Highway Limited (NBHL)	India	39.23%	39.23%	50%	-	-	-
Mokama Munger Highway Limited (MMHL)	India	50%	50%	50%	-	-	-
Patna Bhaktiyarpur Tollway Limited (PBTL)	India	50%	50%	50%	-	-	-
Simphapuri Express Limited	India	49%	49%	49%	-	-	-
BSC-C&C Nepal (JV) Private Limited	Nepal	50%	50%	50%	50%	50%	50%

The Company had incorporated a subsidiary in the name of B. Seenaiah & Company Nepal Private Limited, Nepal in 2006-07. The subsidiary could not expand its business in expected lines and hence the Company decided to dispose this investment at the earliest opportunity. The investment was considered to be temporary and not material and accordingly not consolidated in earlier years. During the year ended March 31, 2012, the Company has wound up this subsidiary.

b. Use of estimates

The preparation of the restated consolidated financial statements in conformity with Indian GAAP which requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

c. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation/amortization and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

From accounting periods commencing on or after December 07, 2006, the group adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Assets retired from active use and held for disposal are stated at their estimated net realizable values or net book values, whichever is lower.

d. Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangible assets are stated at cost less accumulated amortization.

Highways represents commercial rights to collect toll fee in relation to road projects/ to receive annuity in the case of annuity based projects which has been accounted for at the cost incurred on the project activity towards construction, strengthening, widening, rehabilitation of the roads on BOT/DBFOT. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

e. Depreciation / amortization

Tangible assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which coincides with the corresponding rates prescribed under Schedule XIV to the Companies Act, 1956, except the following:

(i) Leasehold improvements are amortized over the period of the lease or estimated useful life of 7 years whichever is lower,

(ii) Temporary erections in the form of sheds, camps, etc., are depreciated over the period of the respective project i.e., 3 years, and

(iii) Shuttering materials are depreciated over a period of 6 years.

Individual assets not exceeding Rs. 5,000 are entirely depreciated in the year of purchase.

Intangible assets

Highways are amortized on a straight line basis, either based on the actual toll collections as against the total projected toll collection for the concession period or over the period of the respective concessionaire agreement, whichever is higher. The concession agreements range from 16 to 30 years, which is beyond the maximum period of 10 years as specified in the AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

f. Leases

Where the Group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

g. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of a asset (including real estate project) that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/ inventorized as part of the cost of the respective asset/ project. All other borrowing costs are expensed in the period they occur.

h. Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

i. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government grants related to specific fixed assets are deducted from the gross value of the assets concerned in arriving at their book value.

j. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

k. Inventories

(i) Materials and stores and spares are valued at lower of cost and net realizable value. Cost of raw materials and stores and spares is determined on first-in-first out basis.

(ii) Construction work-in-progress related to project and construction is valued at cost till such time the outcome of the related project is ascertained reliably and at contractual rates thereafter.

(iii) Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods is determined on a first-in-first out basis.

(iv) Real estate under development related to project works is valued at lower of cost and net realizable value, till such time the outcome of the related project is ascertained reliably. Cost includes cost of land, cost of materials, borrowing costs to the extent it relates to specific project and other related project overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

l. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Accounting Standard (AS) 7 "Construction Contracts" notified by the Companies Accounting Standards Rules, 2006 (as amended). Percentage of completion is determined on the basis of survey of work performed. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for. The effect of any adjustment arising from revisions to estimates is included in the statement of profit and loss of the period in which the revisions are made.

Price escalation and other claims and /or variation in the contract work are included in contract revenue only when:

- Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and
- The amount that is probable will be accepted by the customer can be measured reliably

(ii) Revenue from long term construction contracts includes revenue from construction services provided under the "service concession agreements" and is measured at the fair value of construction services rendered, where total income and expenses associated with the construction work and the stage of completion can be determined reliably. The stage of completion is determined on the basis of surveys performed. Fair value of the construction services rendered is estimated by the Management to be value of "Engineering, Procurement and Construction Contract" awarded by the operator/special purpose vehicles to the Company/joint venture and other indirect costs incurred in connection with the construction of the highways.

(iii) Revenue from sale of metal and aggregates is recognized when significant risk and reward of ownership of the goods have passed to the buyer, i.e. usually on delivery of goods.

(iv) Revenue from real estate under development is recognized upon transfer of significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the agreement for sale and when the buyer's investment is adequate enough to demonstrate a commitment to pay.

In accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the Institute of Chartered Accountants of India (the "ICAI") the Revenue from sale of residential and commercial properties is recognized on the "percentage of completion method". Percentage of completion is determined on the basis of actual project cost (excluding cost of Land) incurred thereon to total estimated project cost, where the actual cost is 25 percent or more of the total estimated project cost.

Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

(v) Toll revenue from operation is recognised on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the "service concession agreements".

(vi) Revenue from maintenance contract is recognized on accrual basis and billed as per the terms of the specific contract.

(vii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

m. Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

From accounting period commencing on or after December 07, 2006, the Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the Group treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- All other exchange differences are recognized as income or as expenses in the period in which they arise.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(v) Translation of integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself.

(vi) Translation of non-integral foreign operation

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. There is no other obligation, other than the contribution payable to the provident fund.

The group operates a defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Short term leave encashment is provided for based on estimates. Since the Group does not have an unconditional right to defer its settlement for 12 months after the reporting date the Group presents the liability as short term provisions.

o. Segment reporting

Identification of segments

The Group operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

p. Income taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the domestic tax laws of the countries in which the consolidated entities operate. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

q. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present values 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.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Provision for major maintenance:

Contractual obligations to periodically maintain, replace or restore infrastructure as per the terms of the concession agreement are provided for in accordance with Accounting Standard (AS) - 29 "Provision, Contingent Liabilities and Contingent Assets" i.e., at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

s. Contingent liabilities

A contingent liability as defined under AS 29 – "Provisions, Continent Liabilities and Contingent Assets" notified by the Companies Accounting Standard Rules, 2006 (as amended), is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u. Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

v. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

3. Material adjustments

3.1 Summary of results of restatements made in the audited consolidated financial statements of the Group for the respective years and their impact on the profits / losses of the Group is as under:

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
(i) Net Profit as per audited financial statements	**540.42**	**215.71**	**532.36**	**807.44**	**466.52**	**427.99**
(ii) Adjustments due to change in accounting policies						
(Increase)/ Decrease in profit due to change in revenue recognition policy for real estate operations [Refer Note (3.1.1) below]	-	462.29	(462.29)	-	-	-
(Increase)/ Decrease in profit on account of the effects of Changes in foreign exchange rates [Refer Note (3.1.2) below]	-	-	-	-	1.83	-
(iii) Prior Period adjustments						
(Increase)/ Decrease in profit on account of prior period adjustments [Refer Note (3.1.3) below]	-	(518.54)	463.25	32.46	99.82	(12.03)
(iv) Taxes of earlier years						
(Increase)/ Decrease in profit on account of taxes of earlier years adjustments [Refer Note (3.1.4) below]	-	(34.62)	(8.22)	(20.87)	32.55	(20.29)
Net (increase)/ decrease in profit after adjustments	**-**	**(90.87)**	**(7.26)**	**11.59**	**134.20**	**(32.32)**
(v) Tax impact of adjustments						
(Increase)/ Decrease in profit on account of tax impact on adjustments						
Current Tax	-	18.25	(0.31)	43.25	(52.64)	(6.72)
Deferred Tax	-	-	-	(54.27)	18.70	10.81
Net (increase)/ decrease in profit on account of tax impact	-	18.25	(0.31)	(11.02)	(33.94)	4.09
Restated profit after tax (i-ii-iii-iv-v)	**540.42**	**288.33**	**539.93**	**806.87**	**366.26**	**456.22**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

3.1.1 Change in revenue recognition policy for real estate operations

During the year ended March 31, 2012 the Company has changed its accounting policy for revenue recognition from sale of real estate properties from completed contract basis to percentage of completion method. The revenue and corresponding increase/ decrease in the inventories appearing in the audited financial statements for the year ended March 31, 2012 and 2011 have been restated to provide for the impact in each of the respective financial years due to the above change in accounting policy.

3.1.2 The effects of changes in foreign exchange rates

Pursuant to the GSR notification 225 (E) issued by Ministry of Corporate Affairs, dated March 31, 2009, the Company has adopted the amendment to AS-11 "The effects of Changes in foreign exchange rates" effective retrospectively for accounting period beginning on or after 7 December 2006. Consequent to this notification, the exchange difference arising on restatement of long term foreign currency monetary items at rates different from at which they were initially recorded or reported in the previous financial statements are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" or adjusted against the carrying value of related fixed assets and the same are amortized and depreciated over the balance period of such long term asset/liability or over a period up to March 31, 2020 respectively.

Consequent upon the change in accounting policy and in accordance with the transitional provisions of the accounting standard, an amount of Rs.1.83 Million was adjusted against the opening balance of statement of profit and loss with a corresponding adjustment in the carrying value of related fixed assets as at March 31, 2007. (Refer note 3.2.2).

3.1.3 Prior period items

In the audited financial statements of the Company for the six months ended September 30, 2012 and years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008, the Company has disclosed certain items as prior period items. Accordingly, in the preparation of the Restated consolidated summary statements, the effect of these prior period items has been appropriately adjusted to the results of the respective year/ period to which these items pertain with a corresponding restatement of the respective assets/liabilities.

Given below is the summary of prior period adjustments:

Particulars	For the six months ended	For the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Revenue from Operations	-	(471.54)	439.96	(41.64)	73.21	-
Other income	-	(13.85)	41.76	(18.77)	(4.32)	(4.81)
Cost of raw material and components consumed	-	-	-	(18.91)	12.21	6.70
Employee benefits expense	-	(1.01)	(0.13)	(10.06)	8.07	2.85
Subcontract expenses	-	(3.21)	(6.33)	(29.81)	27.71	4.15
Other expenses	-	4.69	(7.10)	(17.50)	8.01	11.80
Finance costs	-	(33.62)	(4.91)	9.48	29.95	(0.91)
Depreciation and amortization expense	-	-	-	159.67	(55.02)	(31.81)
Total: Prior period (income)/ expense	**-**	**(518.54)**	**463.25**	**32.46**	**99.82**	**(12.03)**

3.1.4 Income tax adjustments of earlier years

Short or excess provision of income taxes provided in each of the accounting year has been adjusted in the respective financial years for which the taxes were under provided.

3.1.5 Tax impact on adjustments

In the preparation of the Restated consolidated Summary Statements, the Company has made adjustments for the current tax and deferred tax impact of the items as per Para 3.1.1 to 3.1.3 above in the respective years/ period to which these items pertain.

3.2 Material regroupings

3.2.1 Appropriate adjustments have been made in the restated consolidated summary statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the six months ended September 30, 2012, prepared in accordance with revised Schedule VI, and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended).

3.2.2 Restatement adjustments made in the audited opening balance figure in the net surplus in the statement of profit and loss as at March 31, 2007:

Particulars	Amount
Consolidated Statement of profit and loss as at April 01, 2007 (Audited)	1,007.01
Adjustments on account of prior period items (net of tax)	(9.42)
Adjustments on account of change in accounting policy	1.83
Consolidated Statement of profit and loss as at April 01, 2007 (Restated)	**999.42**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

3.3 NON ADJUSTING ITEMS

Audit qualifications for the respective periods, which do not require any corrective adjustments in the restated consolidated summary statements as follows:

(a) **Modification in auditors' report**

Audit qualifications for the respective years/ period, which do not require any corrective material adjustments in the restated consolidated summary statements as follows:

i. Auditors' report for the six months ended September 30, 2012 included the following emphasis of matter:

We draw attention to Note 31(a) of Notes to the consolidated financial statements for the six months ended September 30, 2012 regarding claims amounting to Rs. 2,384.52 million outstanding as at September 30, 2012 including a sum of Rs. 75.03 million recognized as income during the current six months based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements. Our opinion is not qualified in respect of this matter.

Text of note 31(a) to the Notes of the audited consolidated financial statements for the six months ended September 30, 2012

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,384.52 million (March 31, 2012: Rs. 2,309.49 million) including a sum of Rs. 75.03 million (Claims accounted amounting to Rs. Nil and interest on claims amounting to Rs. 75.03 million) recognized as income during the current period. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

ii. Auditors' report for the year ended March 31, 2012 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 31(a) of Notes to the consolidated financial statements for the year ended March 31, 2012 regarding claims amounting to Rs. 2,309.49 Million (March 31, 2011: Rs. 2,599.14 Million) outstanding as at March 31, 2012 including a sum of Rs. 196.21 Million (March 31, 2011: Rs. 941.46 Million) recognized as income during the current year based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements.

Text of note 31(a) to the Notes of the Audited consolidated financial statements for the year ended March 31, 2012

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,309.49 Million (March 31, 2011: Rs. 2,599.14) including a sum of Rs. 196.21 Million (Claims accounted amounting to Rs. 51.73 Million and interest on claims amounting to Rs. 144.48 Million) [March 31, 2011: Rs. 941.46 Million (Claims amounting to Rs. 789.73 Million, interest on claims amounting to Rs. 126.39 Million and prior period interest amounting to Rs. 25.34 Million)] recognized as income during the current year. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

iii. **Auditors' report for the year ended March 31, 2011 included the following emphasis of matter:**

a. Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 2,857.89 million (31 March 2010: Rs. 1,716.38 million) outstanding as at 31 March 2011, including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 7 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

"Sundry debtors and Loans and advances as at 31 March 2011 include certain claims aggregating to Rs. 2,599.14 million (31 March 2010: Rs. 1,716.38 million) and Rs. 258.75 million respectively (31 March 2010: Nil) including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year. The Group has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

b. Without qualifying our opinion, we draw attention to Note 14 on Schedule 23 to the consolidated financial statements, regarding management's assessment of carrying value of real estate under development aggregating to Rs. 548.82 million in a project. On the basis of such assessment, management is of the opinion that the realizable value of such inventory is expected to be higher than the current carrying value. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 14 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

"As at 31 March 2011 the Group has invested amounts aggregating to Rs. 548.82 million (31 March 2010: Rs. 497.10 million) towards development of a residential apartment in Dubai. The construction activities have been temporarily suspended due to current market conditions. Based on an independent evaluation of current economic and market conditions, the management believes that there are convincing evidences of overall improvement in the market and realization thereof. Further, the Company is committed to provide continued support to complete the project and recover its investment."

c. Without qualifying our opinion, we draw attention to Note 15 on Schedule 23 to the consolidated financial statements regarding duty drawback claims amounting to Rs. 155.51 million outstanding as at 31 March 2011, including a sum of Rs. 10.23 million recognized as income during the current year. The Group has assessed the recoverability of these claims based on a legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 15 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

"Loans and advances as at 31 March 2011 include certain duty drawback claims aggregating to Rs. 155.51 million (31 March 2010: Rs. 210.83 million) including a sum of Rs. 10.23 million (31 March 2010: Rs. 130.89 million) recognised as income during the current year. Such claims represent refunds of excise duty paid on purchase of inputs for certain projects which are funded by notified institutions under the Central Excise Act, 1944. During the year, the Group has received a correspondence from the department of central excise and customs clarifying that certain input materials do not qualify for refund of excise duty under the duty draw back scheme. The Group, based on past experience and opinion of an independent legal counsel, is confident of realizing the claims outstanding as on 31 March 2011."

iv. Auditors' report for the year ended March 31, 2010 included the following qualification:

The accompanying consolidated financial statements as at and for the year ended 31 March 2010 include the unaudited financial statements of BSCPL International FZE whose un-audited financial statements reflect aggregate total assets of Rs. 635.15 million as at 31 March 2010 and aggregate total revenue of Rs. 117.41 million and net cash outflows amounting to Rs. 23.25 million for the year then ended. The accompanying consolidated financial statements do not include adjustments, if any that may be required had the financial statements of the aforesaid subsidiary been audited.

v. Auditors' report for the year ended March 31, 2010 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 1,716.38 million outstanding as at 31 March 2010, including a sum of Rs. 787.69 million recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration/dispute, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly no adjustments have been made in these Consolidated Financial Statements.

Text of note 7 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2010:

"Sundry debtors as at 31 March 2010 include certain claims aggregating to Rs. 1,716.38 million (previous year: Rs. 928.68 million) including a sum of Rs. 787.69 million recognised as income during the current year. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

vi. Auditors' report for the year ended March 31, 2009 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 8 on Schedule 24 regarding claims recognized by the Company for an amount aggregating to Rs. 360.82 million based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration/dispute, the Company as assessed the recoverability of these claims based on arbitration orders received and a legal opinion that the claims are tenable and would be tenable and would be realized. Accordingly no adjustments have been made in these Consolidated Financial Statements in this regard.

Text of note 8 on Schedule 24 of the audited consolidated financial statements for the year ended March 31, 2009:

"Sundry debtors and works in progress as at 31 March 2009 include certain claims aggregating to Rs. 360.82 million (2008: Rs. 234.59 million), recognized in the earlier years. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, to the Company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

vii. Auditors' report for the year ended March 31, 2008 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note no. 8 on Schedule 22 regarding certain claims recognized by the Company for an amount aggregating to Rs. 182.79 million based on the terms and conditions implicit in the respective contract. The claims being technical in nature and being the subject matter of arbitrations/dispute, the Company has, assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, Management is of the opinion that the claims are tenable and the entire amounts recorded as income would be realized.

Text of note 8 on Schedule 22 of the audited consolidated financial statements for the year ended March 31, 2008:

"Sundry debtors of parent company as at 31 March 2008 include certain claims aggregating to Rs. 182.79 million (31 March 2007 – Rs. 845.52 million), recognized in the earlier years. The Company has preferred such claim based on the terms & conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, to the company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

4. Other Significant Notes

4.1 Secured Loans as at September 30, 2012

Entity wise details of the total long term borrowings are as follows (secured and unsecured):

Name of the entities	Non-current portion		Current maturities	
	September 30, 2012	March 31, 2012	September 30, 2012	March 31, 2012
BSCPL	2,762.68	2,545.72	1,978.28	1,655.65
BGTL	3,154.45	2,283.73	-	-
BKTL	2,514.33	2,527.07	77.43	54.60
SEL	3,221.12	2,298.10	-	-
NBHL	1,316.39	1,067.67	-	-
MMHL	1,326.41	994.39	-	-
PBTL	1,570.92	773.21	-	-
BSC C&C	714.72	262.80	149.03	133.61
BSC – SCL	-	-	-	0.02
	16,581.02	**12,752.69**	**2,204.74**	**1,843.88**

Entity wise details of the short term borrowings are as follows (Secured and unsecured):

Name of entities	September 30, 2012	March 31, 2012
BSCPL	4,513.25	3,928.44
BSC - C&C JV (Unsecured)	36.79	-
	4,550.04	**3,928.44**

The details of security, repayment and other terms are as follows:

All amounts expressed in Indian Rupees in Million unless otherwise expressed

a) The Company (BSCPL):

(i) Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	March 31, 2012	September 30, 2012	March 31, 2012
Term loans				
From banks				
- Rupee loans	2,368.75	2,181.25	1,774.98	1,429.86
- Foreign currency loans	393.75	364.29	203.30	225.79
From others	0.18	0.18	-	-
	2,762.68	**2,545.72**	**1,978.28**	**1,655.65**
The above amount includes				
Secured borrowings	2,762.68	2,545.72	1,978.28	1,655.65
Amount disclosed under the head "other current liabilities"	-	-	(1,978.28)	(1,655.65)
	2,762.68	**2,545.72**	**-**	**-**

Indian Rupee Term Loans

(a) ICICI Bank – Rs. 1,093.75 Million

- Loan from ICICI Bank carries interest @ 14.50% p.a. and shall be repaid in 8 equal quarterly installments of Rs. 156.25 Million each commencing after a principal moratorium of 24 months from the date of disbursement of loan.
- The loan is secured by:
  - Subservient charge on the current assets of the Company.
  - Pledge of equity shares of BSCPL Godhra Tollways Limited ("BGTL") SPV of the Company to the extent of 20% of the paid up equity share capital of BGTL.
  - Pledge of promoters equity shares in BSCPL Infrastructure Limited to the extent of 10% of the paid up equity share capital of the Company.
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

(b) Axis Bank – Rs. 1,300.00 Million

- Loan from Axis Bank carries interest @ 13.50% p.a. and shall be repaid in 8 quarterly installments commencing from January 31, 2012.
- The loan is secured by:
  - Subservient charge on the moveable fixed assets and current assets of the Company.
  - Pledge of equity shares of BSCPL Godhra Tollways Limited ("BGTL") SPV of the Company to the extent of 20% of the paid up equity share capital of BGTL.
  - Pledge of promoters equity shares in BSCPL Infrastructure Limited to the extent of 10% of the paid up equity share capital of the Company.
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

(c) Indian Overseas Bank – Rs. 249.98 Million

- Loan from Indian Overseas Bank carries interest @ 12.75% p.a. and shall be repaid in 12 equal monthly installments after a principal moratorium of one year from the date of disbursement of loan.
- The loan is secured by:
  - Subservient charge on fixed assets of the Company
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

(d) ICICI Bank – Rs. 1,500.00 Million

- Loan from ICICI Bank carries interest @ 12.50% p.a. and shall be repaid in 16 equal quarterly installments after a moratorium of 2 years from the date of disbursement of loan.
- The loan is secured by:
  - Residual charge over current assets and moveable fixed assets of the Company.
  - Exclusive charge over the debt service reserve account.
  - Pledge of 26% shares of BSCPL Infra Projects Limited held by the Company.
  - Extension of pledge over 20% shares of BSCPL Godhra Tollways Limited, already pledged to the lenders for Rupee Term Loan of Rs. 1,093.75 Million availed by the Company for the tenure of the loan.
  - Extension of pledge of 10% shares of Company, already pledged by the Promoters to the lenders for Rupee Term Loan facility of Rs. 1,093.75 Million availed by the Company for the tenure of the loan.
  - Unconditional and irrevocable personal guarantee of B.Krishnaiah and B.Seenaiah.

Foreign currency loans

(a) Standard Chartered Bank – Rs. 563.07 Million

- Loans from Standard Chartered Bank carry interest in the range of 10.25% p.a. to 11.50% p.a. fixed as per the cross currency swap entered and loan shall be repaid in 5 years as per the term loan agreement.
- The loan is secured by:
  - Exclusive charge on the assets procured out of the loan.

(b) Citi Bank – Rs. 33.98 Million

- Loans from Citi Bank carry interest in the range of 9.90% p.a. to 10.25% p.a. fixed as per the cross currency swap entered and the loan shall be repaid in 5 years including a moratorium of 1 year as per the terms of loan agreement.
- The loan is secured by exclusive charge on the assets procured out of the bank's loan.

(ii) Working capital demand loans/cash credit facilities/ other short term borrowings

Working capital loans/cash credit facilities/ other short term borrowings to the extent of Rs. 4,503.75 Million availed from various banks under multiple banking arrangements are secured by

- First pari-passu charge on all the current assets of the Company.
- First pari-passu charge on unencumbered fixed assets of the Company.
- Equitable Mortgage on pari-passu basis of 7 immovable properties owned by the promoters and third parties.
- Unconditional and irrevocable personal guarantee of B. Seenaiah and B. Krishnaiah.

b) BGTL

Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	March 31, 2012	September 30, 2012	March 31, 2012
Term loans				
From banks				
- Rupee loans	1,952.78	1,413.73	-	-
- From others	1,201.67	870.00	-	-
	3,154.45	**2,283.73**	**-**	**-**
The above amount includes				
Secured borrowings	3,154.45	2,283.73	-	-
Amount disclosed under the head "other current liabilities"	-	-	-	-
	3,154.45	**2,283.73**	**-**	**-**

- The term loans carry rate of interest in the range of 13% to 13.90%. Repayment starts in the financial year 2014-15 and is payable in 45 quarterly annual installments.
- The term loans are collectively secured by:
  - First charge on the movable/immovable asset by way of mortgage/hypothecation; assignment of all receivables; book debts and all rights and interest in project, both present and future, excluding the Project Assets
  - First charge on the Escrow Account and right to receive the Receivables
  - A charge on the uncalled capital of the Borrower to the extent of unpaid
  - Pledge of equity shares held by the entity's Promoters aggregating 51% (fifty one percent) of paid up and voting equity share capital of the Borrower up to a period of 2 (two) years from COD
  - The mortgages, charges and assignments shall in all respects rank pari-passu inter-se amongst the Lenders without any preference or priority to one over the other or others; and
  - The aforesaid mortgages and charges shall in all respects rank pari passu to the mortgages and charges to be created by the Borrower in favour of the working capital lenders as security for the working capital facilities to such extent as may be approved by the Lenders in writing.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

c) BKTL

Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	March 31, 2012	September 30, 2012	March 31, 2012
Term loans				
From banks				
- Rupee loans	1,781.61	1,797.55	55.28	38.85
- From others	732.72	729.52	22.15	15.75
	2,514.33	**2,527.07**	**77.43**	**54.60**
The above amount includes				
Secured borrowings	2,514.33	2,572.07	77.43	54.60
Amount disclosed under the head "other current liabilities"	-	-	(77.43)	(54.60)
	2,514.33	**2,527.07**	**-**	**-**

- The term loans carry interest rate ranging from 11.25% to 13.25%. The interest rates are fixed for all with interest reset happening on each reset date per annum and the loan is repayable in 138 monthly unequal installments along with the interest from June 30, 2011.

- The term loans are secured by:
  - Mortgage, charges and assignments on pari passu basis in favour of lenders on all the immovable properties, both present and future, all movable properties including receivables, accounts, books of debts, current and non-current assets, movable machinery and all other movable assets, all rights and interest, project documents, guarantees, other performance warranties, indemnities and securities, bank accounts, government approvals and Intangible Assets, except the Project Assets.
  - Pledge of all shares of the Borrower representing 100% of the paid up capital of the borrower.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

d) SEL

Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	**March 31, 2012**	**September 30, 2012**	**March 31, 2012**
Term loans				
From banks				
- Rupee loans	1,745.22	1,146.60	-	-
- From others	1,475.90	1,151.50	-	-
	3,221.12	**2,298.10**	**-**	**-**
The above amount includes				
Secured borrowings	3,221.12	2,298.10	**-**	**-**
Amount disclosed under the head "other current liabilities"	-	-	-	-
	3,221.12	**2,298.10**	**-**	**-**

- The term loans carry rate of interest of 12.50% as on September 30, 2012, which is subject to reset every year and the loan is repayable in 46 quarterly unequal installment ranging from August 31, 2015 to January 30, 2026 ranging from Rs. 34.06 Milliion to Rs. 1,189.93 Million.

- The term loans are secured by:
  - Pari-passu first charge by way of hypothecation of all movable/immovable properties and assets, present and future, all rights, titles and interest of the entity from all contract, insurance's licenses in, to, and under all assets of the project and its documents, all revenues and receivables from the project and charge on debt services reserve account and trust and retention account, except project assets.
  - First charge on all intangible assets of the Company, both present and future.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

e) NBHL

Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	**March 31, 2012**	**September 30, 2012**	**March 31, 2012**
Term loans				
From banks				
- Rupee loans	1,105.07	796.61	-	-
- From others	211.32	139.90	-	-
Other loans and advances				
Loans from others	-	131.16	-	-
	1,316.39	**1,067.67**	**-**	**-**
The above amount includes				
Secured borrowings	1,316.39	936.51	-	-
Unsecured borrowings	-	131.16	-	-
Amount disclosed under the head "other current liabilities"	-	-	-	-
	1,316.39	**1,067.67**	**-**	**-**

- The term loans carry rate of interest which is in the range of 12% to 13% p.a. Repayment starts from October 31, 2014 and is payable in 25 semi annual installments. Repayment of Term Loan of Rs. 500.00 Million is payable on or before March 31, 2014.
- The term loans are secured by:
  - First charge on the movable/immovable asset by way of mortgage/hypothecation; assignment of all receivables; book debts and all rights and interest in project, both present and future, excluding the Project Assets
  - First charge on the Escrow Account and right to receive the Receivables
  - A charge on the uncalled capital of the Borrower to the extent of unpaid
  - Pledge of equity shares held by the entity's Promoters aggregating 51% (fifty one percent) of paid up and voting equity share capital of the Borrower up to a period of 2 (two) years from COD
  - The mortgages, charges and assignments shall in all respects rank pari-passu inter-se amongst the Lenders without any preference or priority to one over the other or others; and
  - The aforesaid mortgages and charges shall in all respects rank pari passu to the mortgages and charges to be created by the Borrower in favour of the working capital lenders as security for the working capital facilities to such extent as may be approved by the Lenders in writing.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

f) MMHL

Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	March 31, 2012	September 30, 2012	March 31, 2012
Term loans				
From banks				
- Rupee loans	1,064.76	787.29	-	-
- From others	261.65	207.10	-	-
	1,326.41	**994.39**	**-**	**-**
The above amount includes				
Secured borrowings	1,326.41	994.39	-	-
Amount disclosed under the head "other current liabilities"	-	-	-	-
	1,326.41	**994.39**	**-**	**-**

- The term loans carry rate of interest in the range of 12.25% to 12.50% p.a. Repayment starts on November 10, 2013 and is payable in 22 semiannual installments.
- The term loans are secured by:
  - First charge on the movable/immovable asset by way of mortgage/hypothecation; assignment of all receivables; book debts and all rights and interest in project, both present and future, excluding the Project Assets
  - First charge on the Escrow Account and right to receive the Receivables
  - A charge on the uncalled capital of the Borrower to the extent of unpaid
  - Pledge of equity shares held by the entity's Promoters aggregating 51% (fifty one percent) of paid up and voting equity share capital of the Borrower up to a period of 2 (two) years from COD
  - Corporate guarantee from BSCPL Infrastructure Limited and C&C Constructions Limited that it shall provide additional funds to the company to meet any shortfall for meeting the Secured Obligations in the event of termination of Concession Agreement
  - The mortgages, charges and assignments shall in all respects rank pari-passu inter-se amongst the Lenders without any preference or priority to one over the other or others; and
  - The aforesaid mortgages and charges shall in all respects rank pari passu to the mortgages and charges to be created by the Borrower in favour of the working capital lenders as security for the working capital facilities to such extent as may be approved by the Lenders in writing.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

g) PBTL
Long term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	**March 31, 2012**	**September 30, 2012**	**March 31, 2012**
Term loans				
From banks				
- Rupee loans	1,282.57	600.64	-	-
From others	288.35	128.91	-	-
Other loans and advances	-	-		
Loans from others	-	43.66	-	-
	1,570.92	**773.21**	**-**	**-**
The above amount includes				
Secured borrowings	1,570.92	729.55	**-**	**-**
Unsecured borrowings	-	43.66	**-**	**-**
Amount disclosed under the head "other current liabilities"	-	-	-	-
	1,570.92	**773.21**	**-**	**-**

- Term loans carry rate of interest in the range of 12.25% to 12.75% p.a. Repayment starts from financial year ending 2015-16 and is payable in 46 quarterly installments.
- The term loans are secured by:
  - First charge on the movable/immovable asset by way of mortgage/hypothecation; assignment of all receivables; first charge on all the intangible assets; book debts and all rights and interest in project, both present and future, excluding the Project Assets
  - First charge on the Escrow Account and right to receive the Receivables
  - A charge on the uncalled capital of the Borrower to the extent of unpaid
  - Pledge of equity shares held by the entity's Promoters aggregating 51% (fifty one percent) of paid up and voting equity share capital of the Borrower up to a period of 2 (two) years from COD
  - The mortgages, charges and assignments shall in all respects rank pari-passu inter-se amongst the Lenders without any preference or priority to one over the other or others; and
  - The aforesaid mortgages and charges shall in all respects rank pari passu to the mortgages and charges to be created by the Borrower in favour of the working capital lenders as security for the working capital facilities to such extent as may be approved by the Lenders in writing.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

h) BSC-C&C (JV)

Long Term borrowings

	Non-current portion		Current maturities	
	September 30, 2012	**March 31, 2012**	**September 30, 2012**	**March 31, 2012**
Term loans				
From banks				
- Rupee loans	35.82	43.90	19.25	22.93
From others	678.90	218.90	129.78	110.68
	714.72	**262.80**	**149.03**	**133.61**
The above amount includes				
Secured borrowings	714.72	262.80	149.03	133.61
Amount disclosed under the head "other current liabilities"	-	-	(149.03)	(133.61)
	714.72	**262.80**	**-**	**-**

- Term loans carry rate of interest which ranges between 10% to 16% p.a. and repayable as follows based on the terms with each bank:
  - From 1-2 Years – Rs. 292.18 Million
  - From 2-3 Years – Rs. 289.48 Million
  - From 3-4 Years – Rs. 127.16 Million
  - Beyond 4 Years – Rs. 5.91 Million
- The term loans are secured by:
  - Against the hypothecation of specific assets purchased by the Company which are in the nature of Tippers, Tractors, Vehicles, Plant and Machinery.
  - Personal guarantee of Promoters

BSC – C&C JV has defaulted in repayment of Term loan a sum of Rs. 7.73 Million in principal and Rs. 2. 90 Million in interest amount as detailed below:

Name of the bank	Total EMI Overdue	Principal	Interest	Overdue months
Dhanlaxmi bank	1.83	1.26	0.57	Ranging from June 12 to September 2012
Hinduja Leyland Finance	0.51	0.33	0.17	September 2012
ICICI Bank	0.09	0.05	0.03	September 2012
IndusInd Bank	6.25	4.76	1.49	Ranging from Apr 12 - Sept 12
L&T Finance limited	0.47	0.34	0.13	August 12 - September 12
MAGMA Fin Corp	1.35	0.90	0.46	Ranging from August 12 - September 12
Reliance capital limited	0.14	0.09	0.05	September 2012
Grand Total	**10.63**	**7.73**	**2.90**	

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.2 Capital commitments

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	31.00	83.22	32.04	32.54	83.27	3,033.17
(b) Estimated amount of contracts in joint ventures remaining to be executed on capital account	6,868.23	8,746.15	4,833.57	-	-	-

4.3 Contingent liabilities not provided for (disclosure pursuant to Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets.")

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
(a) Claims against the Group not acknowledged as debts on account of joint ventures	322.35	322.88	324.12	684.98	566.61	622.95
(b) Claims against the Group not acknowledged as debts	473.41	473.41	-	-	-	-
(c) Uncalled liability on partly paid up shares	10.00	10.00	10.00	10.00	10.00	-
(d) Income tax demand arising from disputes not acknowledged as debts	-	-	35.72	35.72	7.03	0.48
(e) Entry tax demands arising from disputes not acknowledged as debts	356.75	356.75	328.21	116.29	-	-
(f) Income tax demands of Joint Venture not acknowledged as debts to the extent of our share	114.30	99.43	70.32	20.46	-	-
(g) Sales tax demand arising from disputes not acknowledged as debts	86.93	86.93	32.63	32.63	32.63	-
(h) Service tax demand arising from disputes not acknowledged as debts	136.25	136.25	-	-	-	-
(i) Duty Drawback claims arising from disputes not acknowledged as debts	35.12	35.12	-	-	-	-
(j) Guarantees issued by bankers	10,624.08	10,147.14	11,357.97	4,986.89	5,035.27	3,213.85

Note: Based on an internal assessment and/ or legal opinions obtained, the Management is confident that no provision is required to be made as at September 30, 2012, March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.4 Disclosure under AS 7 "Construction Contracts"

Particulars	As at and for the six months ended September 30,	As at and for the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Contract revenue from Construction activity recognized for the period/ year	10,391.27	15,626.79	10,067.37	13,933.61	9,562.09	7,131.81
Contract cost incurred and recognized profits (less recognized losses) for contracts in progress up to the reporting date	25,530.89	24,856.47	19,480.42	42,629.48	25,332.56	15,521.05
Advances received for contracts in progress	3,263.99	3,829.01	2,698.12	1,982.26	3,095.02	2,041.31
Amount of retention for contracts in progress.	435.68	449.62	420.05	510.10	406.12	308.85
Gross amount due from customers for contract work	2,065.93	2,162.15	3,674.29	2,751.99	2,045.96	1,294.36

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.5 Related party transactions

4.5.1 Names of related parties and description of relationship:

Nature of relationship	Name of the related party	For the six months ended September 30,	For the years ended March 31				
		2012	2012	2011	2010	2009	2008
Joint Venture Entities (Where transaction exists)	SCL – BSCPL (JV)	✓	✓	✓	⊘	⊘	⊘
	BSC – KGLC Airport (JV)	⊘	✓	✓	⊘	⊘	⊘
	Simhapuri Expressway Limited	✓	✓	✓	⊘	⊘	⊘
	Mokama Munger Highway Limited	✓	✓	✓	⊘	⊘	⊘
	Patna Bakhtiyarpur Tollway Limited	✓	✓	⊘	⊘	⊘	⊘
	North Bihar Highway Limited	✓	⊘	⊘	⊘	⊘	⊘
Key management personnel (KMP) (Where transaction exists)	B. Krishnaiah	✓	✓	✓	✓	✓	✓
	B. Seenaiah	✓	✓	✓	✓	✓	✓
	K. Thanu Pillai *	✓	✓	✓	✓	✓	✓
	T. Dayakar **	⊘	✓	✓	✓	✓	✓
	U. Jayakodi **	⊘	✓	✓	✓	✓	✓
Entities owned by or where significant influence exercised by KMP or their relatives (Where transaction exists)	Bollineni Castings and Steel Limited	✓	✓	✓	✓	✓	✓
	Bollineni Developers Limited	✓	✓	✓	✓	✓	✓
	Aishu Castings Limited	✓	✓	✓	✓	✓	✓
	Aishu Projects Limited	✓	✓	✓	✓	✓	✓
	Amar Biotech Limited	⊘	⊘	⊘	✓	✓	⊘
	Bollineni Family Trust	✓	✓	✓	✓	⊘	⊘
	Krishna Institute of Medical Sciences Limited (KIMS)	✓	✓	✓	✓	✓	⊘
Relatives of KMP (Where transaction exists)	B. Sujatha	✓	✓	✓	✓	✓	✓
	B. Bhaskar Rao	⊘	⊘	✓	✓	✓	✓
	B. Sandeep	⊘	⊘	⊘	✓	✓	⊘
	B. Yamuna	✓	✓	✓	✓	✓	✓
	J. Bhaskaran	⊘	✓	✓	✓	✓	⊘

Legends:	
✓	Related party
⊘	Not a related party in respective year

* Resigned with effect from July 04, 2012.

** Resigned with effect from September 16, 2011.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

4.5.2 Transactions with the related parties:

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
A) Transactions with joint venture entities						
1) SCL-BSCPL (JV)						
a) Revenue from equipment hire charges	-	-	41,88	-	-	-
2) BSC-KGLC Airport(JV)						
a) Purchases	-	1.32	0.03	-	-	-
b) Subcontract expenses	-	2.99	-	-	-	-
c) Revenue from equipment hire charges	-	-	4.00	-	-	-
d) Construction revenue	-	-	7.53	-	-	-
3) Simhapuri Expressway Limited						
a) Reimbursable expenses incurred by the Company	-	-	2.17	-	-	-
b) Construction revenue	658.05	695.96	47.80	-	-	-
c) Revenue from Maintenance contract	125.12	58.52	-	-	-	-
d) Mobilization advance received	-	308.57	325.13	-	-	-
4) Mokama Munger Highway Limited						
a) Reimbursable expenses incurred by the Company	-	-	0.06	-	-	-
5) Patna Bakhtiyarpur Tollway Limited						
a) Unsecured loan given	-	75.00	-	-	-	-
6) North Bihar Highway Limited						
a) Unsecured loan given	176.17	-	-	-	-	-
(B) Transactions with enterprises over which shareholders, KMP or their relatives exercise significant influence						
1) Bollineni Castings and Steel Limited						
a) Reimbursable expenses incurred by the Company	-	0.03	0.53	-	0.21	(51.37)
b) Trade advances given	45.45	21.11	0.21	0.11	1.25	-
c) Purchases	-	4.25	1.87	0.73	6.00	0.90
d) Sale of scrap	-	-	-	-	(0.03)	1.41
2) Bollineni Developers Limited						
a) Interest	-	-	-	47.40	50.47	85.14
b) Purchase of land	-	-	22.50	-	-	-
c) Reimbursable expenses incurred by	-	0.08	0.51	0.05	-	-

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
the Company						
d) Unsecured loans and advances given	-	-	-	-	-	435.01
e) Unsecured Loans received back	-	-	617.90	-	-	250.00
f) Revenue from real estate development	34.13	-	-	-	-	-
3) Aishu Castings Limited						
a) Purchases	7.07	6.68	5.47	4.52	9.56	(1.23)
b) Trade advances given	-	-	(6.63)	23.60	13.38	1.50
c) Reimbursable expenses incurred by the Company	-	-	-	-	0.11	-
4) Aishu Projects Limited						
a) Interest on unsecured loan given	5.70	15.00	15.00	15.00	11.60	-
b) Sale of investments(Net)	-	-	1.13	-	(7.59)	12.39
c) Reimbursable expenses incurred by the Company	-	-	-	-	-	11.46
d) Unsecured trade advances	-	-	-	-	-	100.00
e) Unsecured Loans received back	4.50	22.50	-	-	-	-
f) Subcontract expenses	29.02	38.99	-	-	-	-
g) Subcontract advance given	62.95	41.00	-	-	-	-
5) Bollineni Family Trust						
a) Rent paid	-	0.10	0.14	0. 41	-	-
6) Amar Biotech Limited						
a) Loan taken	-	-	-	-	38.00	-
b) Interest paid	-	-	-	-	0.25	-
(C) Transactions with KMP						
1) B. Krishnaiah						
a) Managerial remuneration	15.00	18.00	18.00	18.00	-	-
b) Loan taken	36.79	-	30.00	111.80	-	-
c) Loan repaid	-	-	30.00	111.80	-	-
d) Interest on loan taken	-	-	-	1.38	-	-
e) Personal guarantees against loans	8,647.48	7,539.73	7,699.92	6,246.89	4,001.09	1,736.71
2) B. Seenaiah						
a) Managerial remuneration	9.00	12.00	12.00	12.00	9.00	9.00
b) Personal guarantees against loans	8,647.48	7,539.73	7,699.92	6,246.89	4,001.09	1,736.71
3) T. Dayakar						
a) Managerial remuneration	-	2.40	4.20	4.20	3.30	2.70

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
4) U. Jayakodi						
a) Managerial remuneration	-	2.40	4.20	4.20	3.30	2.70
5) K Thanu Pillai						
a) Managerial remuneration	1.05	3.30	2.70	2.70	1.80	1.20
(D) Transactions with relatives of KMPs						
1) B. Sujatha						
a) Rent paid	-	0.72	0.96	1.08	1.08	1.08
b) Loan repaid	-	-	-	-	-	20.00
2) B. Yamuna						
a) Rent paid	-	0.72	0.96	1.08	1.08	1.08
3) B. Sandeep						
a) Salaries	-	-	-	2.00	-	-
b) Salary advance	-	-	-	-	2.03	-
4) J. Bhaskaran						
a) Rent paid	-	0.12	0.12	0.12	0.12	-
5) B. Bhaskara Rao						
a) Loan paid	-	-	-	-	-	(2.50)

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.5.3 Balance receivable / (payable):

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
BSC – C&C (JV)	-	92.25	-	-	-	-
Simhapuri Expressway Limited	(704.71)	(868.85)	(322.95)	-	-	-
Mokama -Munger Highway Limited	-	17.30	0.12	-	-	-
Patna Bakhtiyarpur Tollway Limited	168.75	77.22	-	-	-	-
North Bihar Highway Limited	176.17	-	-	-	-	-
BSC - C&C JV Nepal Private Limited	-	-	10.09	10.09	10.09	8.75
Bollineni Castings and Steel Limited	66.57	21.11	6.61	7.62	7.87	(0.03)
Bollineni Developers Limited	-	-	0.51	618.72	571.24	435.01
Aishu Castings Limited	(1.63)	(0.62)	3.37	19.89	3.35	(0.58)
Aishu Projects Limited	177.63	143.07	150.06	139.37	127.87	123.85
Amar Biotech Limited	-	-	-	(0.25)	(0.25)	-
KIMS	(1.03)	(1.04)	(1.05)	1.48	0.95	-
Bollineni Family Trust	(0.02)	(0.02)	(0.14)	-	-	-
B. Krishnaiah	(36.79)	-	-	-	-	-
B. Seenaiah	-	-	-	-	(0.48)	(0.41)
K.Thanu Pillai	-	-	-	0.0 4	(0.08)	(0.08)
U.Jayakodi	-	-	-	0.06	(0.07)	(0.06)
T. Dayakar	-	-	(0.10)	0.27	(1.08)	(1.03)
B.Sujatha	(0.05)	(0.05)	(0.22)	(0.25)	(0.21)	(2.54)
B.Yamuna	(0.05)	(0.05)	(0.22)	(0.25)	(0.21)	-
B. Sandeep	-	-	-	0.81	2.03	-

Note:

i. Amounts appearing as 0.00 indicate amounts less than Rs. 5,000 rounded off to Million.
ii. For personnel guarantee given by key managerial personnel, 4.5.2(C).

4.6 Segment information

- The Group has disclosed business segment as the primary segment. The segments have been identified taking into account the nature of activities, differing risks and returns, the organization structure and internal reporting system.

- Business segment has been reported as primary segment for the six months period ended September 30, 2012 and for the years ended March 31, 2012, March 31, 2011 and March 31, 2010.

- The Group has organized its operations into three major businesses:
  - Infrastructure: Handling of engineering, procurement and construction solution and development and operations of highways in the infrastructure sector
  - Real Estate: Construction of buildings
  - Others: Sale of metals or aggregates and other ancillary activities

- For the purpose of reporting, business segment is primary segment and the geographic segment is a secondary segment

All amounts expressed in Indian Rupees in Million unless otherwise expressed

- Unallocable expenses are the expenses relating to Head Office and Regional Office.

- Unallocable Assets and Liabilities are the assets and liabilities relating to Head Office and Regional Office.

- Geographical segment are categorized into "India", "Afghanistan" and "Rest of the World" based on the following factors

  - Similarity of economic and political conditions;
  - Relationships between operations in different geographical areas;
  - Proximity of operations;
  - Special risks associated with operations in a particular area
  - Exchange control regulations; and
  - The underlying currency risk.

- For the six month ended September 30, 2012 and the years ended March 31, 2012, March 31, 2011 and March 31, 2010, business segment has been reported as primary segment. For the year ended March 31, 2009 and March 31, 2008, the Group's operations fell into a single business segment i.e. Infrastructure segment. Hence, no further disclosures have been made for these two years.

- Geographical segment has been reported as secondary segment for the six month ended September 30, 2012 and the years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008.

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

Segment reporting for the six months period ended September 30, 2012:

Particulars	Infrastructure	Real Estate	Others	Eliminations	Total
External Revenue	11,122.91	1,065.75	33.04	-	**12,221.70**
Inter segment Revenue	-	-	-	-	-
Total Segment Revenue	11,122.91	1,065.75	33.04	-	**12,221.70**
Segment result	2,003.86	316.53	(42.38)	-	**2,278.01**
Unallocable expenses (net of other income)					(176.74)
Interest income					88.27
Interest expense					(1,389.73)
Profit before tax					799.81
Tax expenses (including deferred tax)					(344.76)
Profit after tax before minority interest					455.05
Less: Minority interest					(85.37)
Net profit					540.42
Total Segment Assets	35,076.69	2,886.57	451.44	-	**38,414.70**
Unallocable assets	-	-	-	-	1,295.12
Total assets	-	-	-	-	**39,709.82**
Total Segment Liabilities	6,931.39	870.36	103.73	-	**7,905.48**
Unallocable liabilities	-	-	-	-	24,121.89
Total Liabilities	-	-	-	-	**32,027.37**
Other Information	-	-	-	-	-
Capital expenses	5,000.07	-	-	-	5,372.32 *
Depreciation and amortization	489.41	11.04	15.32	-	522.66 **
Non-cash expenses (other than depreciation)	29.27	-	-	-	29.27

Note:

* Includes fixed assets purchased during the period amounting to Rs. 372.25 million, being used across all the segments and hence not identified segment wise.

** Includes depreciation and amortization on fixed assets amounting to Rs. 6.89 million, pertaining to unallocable assets.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Segment reporting for the year ended March 31, 2012:

	Infrastructure	Real Estate	Others	Eliminations	Total
External Revenue	16,158.77	2,032.53	74.62	-	18,265.92
Inter segment Revenue	-	-	-	-	-
Total Segment Revenue	16,158.77	2,032.53	74.62	-	**18,265.92**
Segment result	1,779.44	644.62	(53.53)	-	**2,370.53**
Unallocable expenses (net of other income)					(373.26)
Interest income					178.03
Interest expense					(1,757.23)
Profit before tax and minority interest					418.07
Tax expenses (including deferred tax)					(249.25)
Profit after tax before minority interest					168.82
Less: Minority interest					(119.51)
Profit for the year					288.33
Segment Assets					
Segment assets	30,029.94	3,038.69	458.99	-	33,527.62
Unallocable assets	-	-	-	-	1,654.64
Total segment assets	30,029.94	3,038.69	458.99	-	**35,182.26**
Segment Liabilities					
Segment liabilities	7,797.82	930.82	100.51	-	8,829.15
Unallocable liabilities	-	-	-	-	19,125.56
Total Segment Liabilities	7,797.82	930.82	100.51	-	**27,954.71**
Other Information					
Capital expenses	6,963.26	-	-	-	7,468.23 *
Depreciation and amortization	791.62	25.48	33.52	-	861.04 **
Non-cash expenses (other than depreciation and amortization)	187.77	-	-	-	187.77

Note:

* Includes fixed assets purchased during the year amounting to Rs. 504.97 million being used across all the segments and hence not identified segment wise.

** Includes depreciation and amortization on fixed assets amounting to Rs. 10.42 million pertaining to unallocable assets.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

Segment reporting for the year ended March 31, 2011:

	Infrastructure	Real Estate	Others	Eliminations	Total
External Revenue	10,067.37	1,573.36	235.48	-	11,876.21
Inter segment Revenue	-	-	-	-	-
Total Segment Revenue	10,067.37	1,573.36	235.48	-	**11,876.21**
Segment result	1,603.27	628.31	(50.36)	-	**2,181.22**
Unallocable expenses (net of other income)					(207.69)
Interest income					185.72
Interest expense					(1,323.57)
Profit before tax and minority interest					835.68
Tax expenses (including deferred tax)					(295.75)
Profit after tax before minority interest					539.93
Less: Minority interest					-
Profit for the year					539.93
Segment Assets					
Segment assets	20,760.83	3,207.09	524.58	-	24,492.50
Unallocable assets	-	-	-	-	1,461.81
Total segment assets	20,760.83	3,207.09	524.58	-	**25,954.31**
Segment Liabilities					
Segment liabilities	5,086.96	1,200.74	117.40	-	6,405.10
Unallocable liabilities	-	-	-	-	12,299.15
Total Segment Liabilities	5,086.96	1,200.74	117.40	-	**18,704.25**
Other Information					
Capital expenses	1,982.99	-	-	-	2,399.97 *
Depreciation and amortization	581.66	27.08	35.64	-	648.34 **
Non-cash expenses (other than depreciation and amortization)	-	-	-	-	70.29

Note:

* Includes fixed assets purchased during the year amounting to Rs. 416.98 million being used across all the segments and hence not identified segment wise.

** Includes depreciation and amortization on fixed assets amounting to Rs. 3.96 million pertaining to unallocable assets.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Segment reporting for the year ended March 31, 2010:

	Infrastructure	Real Estate	Others	Eliminations	Total
External Revenue	14,052.14	-	408.02	(118.61)	14,341.55
Inter segment Revenue	-	-	-	-	-
Total Segment Revenue	14,052.14	-	408.02	(118.61)	**14,341.55**
Segment result	2,088.13	110.88	(105.40)	-	**2,093.61**
Interest income					142.43
Interest expense					(913.74)
Profit before tax and minority interest					1,322.30
Tax expenses (including deferred tax)					(515.43)
Profit after tax before minority interest					806.87
Less: Minority interest					-
Profit for the year					806.87
Segment Assets					
Segment assets	23,883.85	2,163.40	1,154.90	(3,668.58)	23,533.57
Unallocable assets	-	-	-	-	43.72
Total segment assets	**23,883.85**	**2,163.40**	**1,154.90**	**(3,668.58)**	**23,577.29**
Segment Liabilities					
Segment liabilities	17,854.57	1,334.44	222.26	(3,043.51)	16,367.76
Unallocable liabilities	-	-	-	-	661.19
Total Segment Liabilities	17,854.57	1,334.44	222.26	(3,043.51)	**17,028.95**
Other Information					
Capital expenses	-	-	-	-	974.79
Depreciation and amortization	-	-	-	-	622.79
Non-cash expenses (other than depreciation and amortization)	-	-	-	-	30.04

All amounts expressed in Indian Rupees in Million unless otherwise expressed

ANNEXURE IV: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOWS

Geographical Segment for the six months period ended September 30, 2012 and for the years ended March 31, 2012, March 31, 2011 and March 31, 2010

Segment	Segment revenue			
	For the six months ended September 30,	For the year ended March 31,		
	2012	2012	2011	2010
India	12,025.16	17,682.14	10,563.70	13,315.13
Afghanistan	196.54	570.52	1,114.92	701.32
Rest of the World	-	13.26	197.59	325.10
Total	**12,221.70**	**18,265.92**	**11,876.21**	**14,341.55**

Segment	Carrying amount of segment assets			
	For the six months ended September 30,	For the year ended March 31,		
	2012	2012	2011	2010
India	38,441.04	33,476.73	23,121.87	20,901.04
Afghanistan	215.72	573.49	1,738.25	1,513.02
Rest of the World	1,053.06	1,132.04	1,094.19	1,163.23
Total	**39,709.82**	**35,182.26**	**25,954.31**	**23,577.29**

Segment	Carrying amount of additions to capital expenses			
	For the six months ended September 30,	For the year ended March 31,		
	2012	2012	2011	2010
India	5,372.07	7,467.10	2,399.97	968.29
Afghanistan	0.25	0.78	-	-
Rest of the World	-	0.35	-	6.50
Total	**5,372.32**	**7,468.23**	**2,399.97**	**974.79**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Geographical Segment reporting for the year ended March 31, 2009:

	India	Afghanistan	Rest of the World	Eliminations	Total
External Revenue	9,174.08	464.63	478.22	-	10,116.93
Inter segment Revenue	-	-	-	-	-
Total Segment Revenue	9,174.08	464.63	478.22	-	**10,116.93**
Segment result	846.98	149.37	114.67	-	**1,111.02**
Interest income					157.84
Interest expense					(645.80)
Profit before tax and minority interest					623.06
Tax expenses (including deferred tax)					(257.29)
Profit after tax before minority interest					365.76
Less: Minority interest					(0.49)
Profit for the year					366.26
Segment Assets					
Segment assets	18,895.54	1,435.83	1,252.87	(2,675.46)	18,908.78
Unallocable assets	-	-	-	-	408.39
Total segment assets	18,895.54	1,435.83	1,252.87	(2,675.46)	**19,317.17**
Segment Liabilities					
Segment liabilities	13,606.75	1,598.80	739.08	(2,675.46)	13,269.17
Unallocable liabilities	-	-	-	-	446.40
Total Segment Liabilities	13,606.75	1,598.80	739.08	(2,675.46)	**13,715.57**
Other Information					
Capital expenses	-	-	-	-	2,467.59
Depreciation and amortization	-	-	-	-	459.11
Non-cash expenses (other than depreciation and amortization)	-	-	-	-	12.97

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Geographical Segment reporting for the year ended March 31, 2008:

	India	Afghanistan	Rest of the World	Eliminations	Total
External Revenue	6,593.41	586.70	244.45	-	7,424.56
Inter segment Revenue	-	-	-	-	-
Total Segment Revenue	6,593.41	586.70	244.45	-	**7,424.56**
Segment result	958.20	(77.45)	9.79	-	**880.24**
Interest income					154.54
Profit on sale of investments					15.49
Interest expense					(403.60)
Profit before tax and minority interest					646.97
Tax expenses (including deferred tax)					(190.75)
Profit after tax before minority interest					456.22
Minority interest					-
Profit for the year					456.22
Segment Assets					
Segment assets	11,561.27	865.65	893.66	(16.88)	13,303.70
Unallocable assets	-	-	-	-	408.48
Total segment assets	11,561.27	865.65	893.66	(16.88)	**13,712.18**
Segment Liabilities					
Segment liabilities	7,358.22	488.60	483.89	(16.88)	8,313.83
Unallocable liabilities	-	-	-	-	311.24
Total Segment Liabilities	7,358.22	488.60	483.89	(16.88)	**8,625.07**
Other Information					
Capital expenses	-	-	-	-	1,877.23
Depreciation and amortization	-	-	-	-	346.85
Non-cash expenses (other than depreciation and amortization)	-	-	-	-	47.59

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.7 Provision for Defect Liability period:

A provision is recognized for expected costs to repair the road constructed by the Group for a period of 1 to 4 years from the date of completion of the construction. The provision is recognized based on the past experience towards cost of such repairs.

Particulars	As at and for the six months ended	As at and for the year ended,				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Opening balance	29.15	12.50	12.50	-	-	-
Additions during the year/period	14.97	29.15	4.89	12.50	-	-
Amounts used during the year/period	(3.99)	(12.50)	(4.89)	-	-	-
Closing balance	**40.13**	**29.15**	**12.50**	**12.50**	**-**	**-**

4.8 Provision for major maintenance

The Group has a contractual obligation to periodically maintain, replace or restore infrastructure as per the terms of the concession agreement. The actual expense incurred at the end of the concession period may vary from the above. No reimbursements are expected from any sources against the above obligation.

Particulars	As at and for the six months ended	As at and for the year ended				
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Opening balance	30.00	-	-	-	-	-
Additions during the year/period	15.00	30.00	-	-	-	-
Amounts used during the year/period	-	-	-	-	-	-
Closing balance	**45.00**	**30.00**	**-**	**-**	**-**	**-**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.9 Deferred tax liability (net)

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
Deferred tax liability						
Differences in depreciation as per tax books and financial books	435.68	468.95	485.35	501.19	411.69	340.03
Total deferred tax liability	**435.68**	**468.95**	**485.35**	**501.19**	**411.69**	**340.03**
Deferred tax asset						
Employment benefits	32.80	31.36	22.75	16.45	10.27	2.75
Provision for doubtful receivables and advances	10.20	10.20	-	-	-	-
Provision for defect liability	13.02	9.46	4.15	-	-	-
Others	15.50	23.63	0.45	6.29	8.95	10.49
Total deferred tax assets	**71.52**	**74.65**	**27.35**	**22.74**	**19.22**	**13.24**
Deferred tax liability (net)	**364.16**	**394.30**	**458.00**	**478.45**	**392.47**	**326.79**

4.10 Retirement benefits

Disclosures related to defined contribution plan

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Provident fund contribution as recognized as expense in statement of consolidated profit and loss	17.51	33.90	30.45	28.41	23.77	17.34

Disclosures related to defined benefit plan

The Group has a defined benefit gratuity plan, wherever applicable. Every employee who has completed five years or more of continuous service gets a gratuity on retirement at 15 days last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy for the Company. The scheme is unfunded for BSC –C&C Joint venture and BSC-C&C Kurali Toll Road Limited.

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Statement of Profit and Loss

Net employee benefit expense recognized in employee cost

Particulars	For the six months ended September 30,	For the years ended March 31,				
	2012	2012	2011	2010	2009	2008
Current service cost	14.97	16.26	8.51	11.64	8.29	4.96
Interest cost on benefit obligation	5.30	5.45	3.54	2.57	1.81	1.09
Expected return on plan assets	(2.40)	(4.25)	(3.34)	(2.43)	(1.47)	(0.56)
Past service cost (vested benefits)	-	-	-	6.90	-	-
Net actuarial (gain) / loss recognized in the year	(0.82)	17.85	3.24	2.59	1.39	3.70
Net expense	**17.05**	**35.31**	**11.95**	**21.27**	**10.02**	**9.19**
Actual return on plan assets	2.40	4.30	3.32	3.02	1.79	1.11

Balance Sheet

Particulars	As at September 30,	As at March 31,				
	2012	2012	2011	2010	2009	2008
Present Value of Defined benefit obligation	117.35	104.07	69.97	55.70	33.70	22.80
Fair value of plan assets	54.21	50.12	41.85	33.68	20.77	12.12
Net Plan (assets)/ liability	**63.14**	**53.95**	**28.12**	**22.02**	**12.93**	**10.68**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at and for the six months ended September 30,	As at and for the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Opening defined benefit obligation	104.07	69.97	55.70	33.70	22.80	13.60
Interest cost	5.30	5.45	3.54	2.57	1.81	1.09
Current service cost	14.97	16.26	8.51	11.64	8.29	4.96
Past service cost	-	-	-	6.90	-	-
Benefits paid	(6.17)	(5.41)	(1.04)	(1.11)	(0.27)	-
Actuarial (gain)/loss on obligation	(0.82)	17.80	3.26	2.00	1.07	3.15
Closing defined obligation	**117.35**	**104.07**	**69.97**	**55.70**	**33.70**	**22.80**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Changes in the fair value of plan assets

Particulars	As at and for the six months ended September 30,	As at and for the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Opening fair value of plan assets	50.12	41.85	33.68	20.77	12.12	-
Expected return	2.40	4.25	3.34	2.43	1.47	0.56
Contributions by employer	3.23	8.79	5.85	12.18	7.77	12.11
Benefits paid	(1.54)	(4.72)	(1.04)	(1.11)	(0.27)	-
Actuarial losses	-	(0.05)	0.02	(0.59)	(0.32)	(0.55)
Closing fair value of plan assets	**54.21**	**50.12**	**41.85**	**33.68**	**20.77**	**12.12**

The Principal assumptions used in determining gratuity obligations for Group's plans are shown below:

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Discount rate (Per Annum)	8.20% - 8.60%	8.20% - 8.60%	8.00%- 8.40%	8.00%	8.00%	8.00%
Increase in compensation cost	6.00% - 12.00%	6.00% - 12.00%	6.00%- 10.00%	6.00%- 10.00%	6.00%- 10.00%	6.00%- 10.00%
Employee turnover	3.50% - 5.00%	3.50% - 5.00%	5.00%- 15.00%	5.00%- 15.00%	5.00%- 15.00%	5.00%- 15.00%
Expected return on plan assets	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%

Additional Disclosures:

Particulars	For the six months ended September 30,	For the year ended March 31,				
	2012	2012	2011	2010	2009	2008
Defined benefit obligation	117.35	104.07	69.97	55.70	33.70	22.80
Plan assets	54.21	50.12	41.85	33.68	20.77	12.12
Surplus/(deficit)	(63.14)	(53.95)	(28.12)	(22.95)	(12.94)	(10.68)
Experience adjustments on plan liabilities	(0.82)	17.80	3.26	2.00	1.07	3.15
Experience adjustments on plan assets	-	(0.05)	0.02	(0.59)	(0.32)	(0.55)

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.11 The aggregate amount of the gross assets, liabilities, income and expenses related to the Group's share in the joint ventures included in these consolidated financial statements as at and for the six months ended September 30, 2012 and as at and for the years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 are given below:

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Consolidated Balance Sheet						
Current assets	5,873.53	6,517.59	6,463.22	5,852.98	5,019.08	3,266.21
Non-current assets	13,836.26	8,860.80	3,462.62	2,682.64	2,099.05	1,783.97
Total assets	**19,709.79**	**15,378.39**	**9,925.84**	**8,535.62**	**7,118.13**	**5,050.18**
Current liabilities	6,969.61	8,293.80	6,202.60	6,567.04	5,165.53	3,776.86
Non-current liabilities	10,732.97	5,502.78	2,061.36	1,336.29	1,508.24	855.45
Total liabilities	**17,702.58**	**13,796.58**	**8,263.96**	**7,903.33**	**6,673.77**	**4,632.31**
Consolidated Statement of Profit and Loss						
Income						
Revenue from operations	3,593.68	7,213.56	6,381.25	7,247.19	4,292.96	3,768.92
Other income	20.73	54.72	75.90	40.84	51.92	171.12
Total income	**3,614.41**	**7,268.28**	**6,457.15**	**7,288.03**	**4,344.88**	**3,940.04**
Expenditure						
Cost of raw materials consumed	1,331.96	2,109.69	2,717.63	3,654.16	1,940.55	1,104.03
(Increase)/decrease in inventories of work-in-progress and finished goods	(26.69)	1,395.98	(1,094.23)	(1,174.33)	(807.24)	(610.20)
Subcontractor expenses	682.86	1,062.75	1,235.98	1,200.63	1,142.26	1,865.67
Employee benefit expenses	375.77	624.99	682.11	620.63	374.59	261.98
Other expenses	556.73	1,144.51	1,539.57	1,607.37	904.03	595.05
Depreciation and amortization	141.75	199.82	193.07	189.98	132.72	117.00
Finance costs	117.93	258.73	298.60	336.52	245.56	181.33
Total expenditure	**3,180.31**	**6,796.47**	**5,572.73**	**6,434.96**	**3,932.47**	**3,514.86**
Profit/(loss) before tax	**434.10**	**471.81**	**884.42**	**853.07**	**412.41**	**425.18**
Tax expenses						
Current tax	199.37	157.78	296.16	245.14	132.30	100.54
Deferred tax	(12.45)	12.87	36.01	101.20	35.22	26.16
Profit after tax	**247.18**	**301.16**	**552.25**	**506.73**	**244.89**	**298.48**

All amounts expressed in Indian Rupees in Million unless otherwise expressed

4.12 Disclosures pertaining to premises taken on lease:

The Group has certain operating leases for corporate office premises and other construction sites. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions imposed by these leases. There are no subleases.

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Within one year	11.81	11.52	-	-	-	-
After one year but not more than five years	60.82	66.87	-	-	-	-
More than five years	-	-	-	-	-	-
	72.63	**78.39**	**-**	**-**	**-**	**-**

The effect of lease rentals under such agreements to statement of profit and loss for the period ended September 30, 2012 and for the years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008.

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
In case of Premises taken on lease	23.07	48.81	48.30	25.66	42.81	17.99
In case of assets given on lease	2.22	3.15	47.92	0.38	29.32	18.23

All amounts expressed in Indian Rupees in Million unless otherwise expressed

Annexure V - Restated Consolidated Statement of Non Current Investments

[All amounts in Millions, except as otherwise stated]

Particulars	Number of shares						As at					
	September, 30, 2012	March, 31, 2012	March, 31, 2011	March, 31, 2010	March, 31, 2009	March, 31, 2008	September, 30, 2012	March, 31, 2012	March, 31, 2011	March, 31, 2010	March, 31, 2009	March, 31, 2008
Trade investments (valued at cost unless stated otherwise, unquoted)												
In others												
In equity shares of Rs. 10 each, fully paid-up, in Aishu Projects Limited	729,972	729,972	729,972	729,972	729,972	729,972	1.46	1.46	1.46	1.46	1.46	1.46
Less: Provision for diminution, other than temporary, in the carrying value of long term investments							1.46	1.46	1.46	1.46	1.46	-
Total							**-**	**-**	**-**	**-**	**-**	**1.46**
In preference shares of Rs. 10 each, partly paid-up in Pipal Tree Venture Private Limited	400,000	400,000	400,000	400,000	400,000	-	30.00	30.00	30.00	30.00	30.00	-
Less: Provision for diminution, other than temporary, in the carrying value of long term investments							-	-	6.00	6.00	-	-
Total							**30.00**	**30.00**	**24.00**	**24.00**	**30.00**	**-**
Total							**30.00**	**30.00**	**24.00**	**24.00**	**30.00**	**1.46**

Notes:

1.The figures disclosed above are based on the Restated consolidated Summary Statement of Assets and Liabilities of the Group.

2.These Investments are in the name of the Group.

Annexure VI - Restated Consolidated Statement of Current Investments

[All amounts in Millions, except as otherwise stated]

	Number of shares						As at					
Particulars	**September 30, 2012**	**March, 31, 2012**	**March, 31, 2011**	**March, 31, 2010**	**March, 31, 2009**	**March, 31, 2008**	**September 30, 2012**	**March, 31, 2012**	**March, 31, 2011**	**March, 31, 2010**	**March, 31, 2009**	**March, 31, 2008**
Valued at lower of cost												
Quoted - Non trade												
In equity shares of Rs. 10 each fully paid up in Vijaya Bank Limited	30,000	30,000	30,000	40,000	40,000	40,000	0.34	0.34	0.34	0.46	0.46	0.46
In equity shares of Rs. 10 each fully paid up in C & C Constructions Limited	9,140	9,140	9,140	9,140	9,140	9,140	0.53	0.79	1.16	2.22	0.92	1.75
Total							**0.87**	**1.13**	**1.50**	**2.68**	**1.38**	**2.21**
Aggregate book value of quoted investments							0.87	1.13	1.50	2.68	1.38	2.21
Market value of quoted investments							2.13	2.45	3.57	3.57	2.45	2.45

Notes:

1.The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

2.These Investments are in the name of the Group.

Annexure VII - Restated Consolidated Statement of Trade Receivables - Non Current

[All amounts in Millions, except as otherwise stated]

Particulars	As at September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Trade receivables (Unsecured)						
Outstanding for a period exceeding six months from the date they are due for payment						
Considered good	110.50	108.14	178.01	459.96	123.19	56.75
Considered doubtful	16.33	14.89	-	-	-	-
	126.83	**123.03**	**178.01**	**459.96**	**123.19**	**56.75**
Less:						
Provision for doubtful receivables	16.33	14.89	-	-	-	-
	110.50	**108.14**	**178.01**	**459.96**	**123.19**	**56.75**
Other receivables	302.79	266.91	265.85	185.15	208.19	26.84
Total	**413.29**	**375.05**	**443.86**	**645.11**	**331.38**	**83.59**

Amounts outstanding from Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
From joint venture	-	10.49	-	-	-	-
Total	**-**	**10.49**	**-**	**-**	**-**	**-**

Notes:

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.
2. Amount outstanding from joint ventures is as disclosed in Annexure IV, B. 4.5.

Annexure VIII - Restated consolidated Statement of Trade Receivables - Current

[All amounts in Millions, except as otherwise stated]

Particular	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Trade receivables (Unsecured, considered good)						
Outstanding for a period exceeding six months from the date they are due for payment	366.05	308.04	375.58	355.24	221.00	311.45
Other receivables	970.76	942.16	624.16	1,257.13	1,480.97	785.49
Total	**1,336.81**	**1,250.20**	**999.74**	**1,612.37**	**1,701.97**	**1,096.94**

Amounts outstanding from Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
From joint venture	87.20	57.47	153.27	-	-	-
Total	**87.20**	**57.47**	**153.27**	**-**	**-**	**-**

Notes:

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.
2. Amount outstanding from joint ventures is as disclosed in Annexure IV, B. 4.5.

Annexure IX - Restated Consolidated Statement of long term loans and advances and other non current assets

[All amounts in Millions, except as otherwise stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
(Unsecured, considered good)						
Advances recoverable in cash or kind	73.30	62.06	22.21	78.23	48.86	23.92
Capital advances	1,191.75	1,385.49	454.72	526.88	368.05	328.13
Share application money pending allotment	-	-	-	-	-	13.04
Security deposits	48.09	40.87	48.80	144.64	140.94	105.59
Total	**1,313.14**	**1,488.42**	**525.73**	**749.75**	**557.85**	**470.68**
Other loans and advances						
Duty drawback receivable	40.06	40.06	40.06	-	-	-
Balances with government authorities	396.14	267.00	160.87	79.79	44.33	91.71
Advance income tax (net of provision for tax)	263.25	360.17	131.30	73.05	97.67	43.28
Total	**699.45**	**667.23**	**332.23**	**152.84**	**142.00**	**134.99**
Total	**2,012.59**	**2,155.65**	**857.96**	**902.59**	**699.85**	**605.67**

Other Non Current Assets

Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
(Unsecured, considered good)						
Unamortised anciliary costs for arranging the borrowings	44.43	56.70	37.50	-	-	-
Non current bank balances	8.24	2.63	5.09	4.95	-	26.01
Claims on customers	3,457.98	3,379.59	2,121.71	1,716.37	862.18	815.04
Others	27.61	42.57	-	-	-	-
Total	**3,538.26**	**3,481.49**	**2,164.30**	**1,721.32**	**862.18**	**841.05**

Note:

The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

Annexure X - Restated consolidated Statement of Short term loans and advances and Other Current Assets
[All amounts in Millions, except as otherwise stated]

Particulars	As at September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
(unsecured, considered good)						
Advances recoverable in cash or kind	1,049.27	1,009.67	608.15	892.05	1,127.33	875.76
Loans and advances to related parties	175.57	100.63	118.18	554.96	548.53	571.87
Security deposits	8.76	9.00	7.03	-	-	-
Total	**1,233.60**	**1,119.30**	**733.36**	**1,447.01**	**1,675.86**	**1,447.63**
Other loans and advances						
Prepaid expenses	85.98	118.65	84.57	40.99	62.38	51.24
Loans and advances to joint ventures	2,093.64	1,287.44	851.15	760.52	358.48	217.65
Advances to subcontractors	440.44	442.13	349.28	190.71	59.40	87.75
Duty drawback receivable	33.11	33.11	115.45	210.83	85.06	119.76
Balances with government authorities	44.30	82.81	83.62	120.98	71.88	32.50
Total	**2,697.47**	**1,964.14**	**1,484.07**	**1,324.03**	**637.20**	**508.90**
Total	**3,931.07**	**3,083.44**	**2,217.43**	**2,771.04**	**2,313.06**	**1,956.53**

Amounts outstanding from Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	As at September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
To Joint ventures	-	-	10.15	11.93	10.10	8.75
To other related party	175.57	100.63	108.03	543.03	538.43	563.12
Total	**175.57**	**100.63**	**118.18**	**554.96**	**548.53**	**571.87**

Notes:
1.The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.
2. Amount outstanding from other related party represents dues from entities owned by or where significant influence exercised by Key Managerial Personnel or there relatives, as disclosed in Annexure IV - B.4.5.
3. Amount outstanding from joint ventures is as disclosed in Annexure IV, B. 4.5.

Other Current Assets

Particulars	As at September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Interest accrued on others	68.69	63.56	50.06	220.87	164.13	85.14
Interest accrued on fixed deposits with banks	0.26	0.26	1.35	0.10	1.23	11.75
Unamortised anciliary costs for arranging the borrowings	31.54	40.00	32.61	-	-	-
Unbilled revenue	229.37	146.04	94.73	-	-	-
Others	27.85	35.89	-	-	-	-
Total	**357.71**	**285.75**	**178.75**	**220.97**	**165.36**	**96.89**

Amounts outstanding from Joint Venture Company/ Promoter/ Director/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives:

Particulars	As at September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
To Other related party	68.69	63.56	50.06	220.87	164.13	85.14
Total	**68.69**	**63.56**	**50.06**	**220.87**	**164.13**	**85.14**

Notes:
1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.
2. Amount outstanding from other related party represents dues from entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives, is as disclosed in Annexure IV - B.4.5.

Annexure XI - Restated consolidated Statement of Inventories

[All amounts in Millions, except as otherwise stated]

Particulars	As at					
	September 30, 2012	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Raw materials	1,185.24	1,494.39	1,147.38	1,101.97	1,175.35	1,053.14
Stores and spares	401.21	377.47	334.45	288.49	353.57	214.73
Construction work-in-progress	2,065.93	2,162.15	3,674.29	2,751.99	2,045.96	1,294.36
Real estate under development	2,274.93	2,408.50	2,548.55	2,358.87	1,584.54	839.91
Finished goods	96.97	103.22	64.51	142.67	216.86	97.61
Total	**6,024.28**	**6,545.73**	**7,769.18**	**6,643.99**	**5,376.28**	**3,499.75**

Note:

The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

Annexure XII - Restated consolidated Statement of Long term borrowings

[All amounts in Millions, except as otherwise stated]

Particulars	As at					
	September 30, 2012	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Term loans - Secured						
From banks						
- Rupee loans	11,336.58	8,767.57	6,145.44	1,994.97	1,492.90	1,076.89
- Foreign currency loans	393.75	364.29	176.46	328.23	486.30	479.93
From others	4,850.69	3,446.00	846.06	1,627.34	672.81	529.46
Unsecured						
From others	-	174.83	-	-	-	-
Total	**16,581.02**	**12,752.69**	**7,167.96**	**3,950.54**	**2,652.01**	**2,086.28**

Notes:

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

2. Amount Repayable within one year has been disclosed under Other Current liabilities, as under:

Particulars	As at					
	September 30, 2012	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Current portion of long term borrowings, included under Other current liabilities	2,204.74	1,843.88	1,019.40	1,669.15	2,893.51	1,097.30

3. For details of security, repayment and interest terms, refer Annexure IV - B.4.1

4. There are no long term loans outstanding from Joint Venture Company/ Promoters/ Key Managerial Personnel/ Relatives of key Managerial Personnel/ Entities owned by or where significant influence exercised by Key Managerial Personnel or their relatives.

5. Unsecued loans from others amounting to Rs. 174.83 Million as at March 31, 2012, comprise interest free loan taken by the joint venture companies, repayable after the repayment of secured loans of the respective joint venture companies.

Annexure XIII - Restated Consolidated Statement of Short term borrowings

[All amounts in Millions, except as otherwise stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
From banks (Secured)						
- Cash credit	2,403.74	2,628.44	1,760.59	3,193.66	895.29	686.88
- Working capital demand loans	2,100.00	1,300.00	1,002.17	3.49	5.17	92.82
- Other Short term borrowings	-	-	760.91	-	-	-
From banks (Unsecured)						
- Other Short term borrowings	-	-	-	579.35	-	-
- 10.2% Non covertible Debentures of Rs.1000 each redeemed on June 16, 2009	-	-	-	-	420.00	-
- Bank Overdraft	9.51	-	-	-	-	-
From others (Unsecured)						
- Other Short term borrowings	36.79	-	-	-	-	-
Total	**4,550.04**	**3,928.44**	**3,523.67**	**3,776.50**	**1,320.46**	**779.70**

Notes:

1.The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

2. For details of security, repayment and interest terms, refer Annexure IV - B.4.1

3. The Group had issued 420,000, 10.2% unsecured, non - convertible debentures of Rs. 1,000 each as on June 16, 2008.
The entire debentures were redeemed on June 16, 2009.

4. The Group has availed short term loan from Bank of Baroda (Nil as at September 30, 2012, March 31, 2012, March 31, 2011, Rs. 144.30 Million as at March 31, 2010 and Nil as at March 31, 2009, March 31, 2008). The rate of interest is 8 % per annum.
The loan is repayable within 6 months from the date of loan.

5. The Group has availed short term loan from Corporation Bank (Nil as at September 30, 2012, March 31, 2012, March 31, 2011, Rs. 235.05 Million as at March 31, 2010 and Nil as at March 31, 2009, March 31, 2008). The rate of interest is 8.60 % per annum.
The loan is repayable within 9 months from the date of loan.

6. The Group has availed short term loan from Ing Vysya Bank (Nil as at September 30, 2012, March 31, 2012, March 31, 2011, Rs. 200.00 Million as at March 31, 2010 and Nil as at March 31, 2009, March 31, 2008). The rate of interest is 9.50 % per annum.
The loan is repayable within 3 months from the date of loan.

7. Unsecured loan from others amounting to Rs. 36.79 Million as at September 30, 2012, comprises amount repayable on demand from key managerial personnel, B. Krishnaiah. Refer Annexure IV, B. 4.5.

Annexure XIV - Restated Consolidated Statement of Other Non current liabilities

[All amounts in Millions, except as otherwise stated]

Particulars	As at					
	September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
Advance from customers	83.65	155.34	-	-	-	-
Mobilisation and material advances	959.30	1,463.51	2,265.94	814.44	1,024.73	839.84
Capital creditors	98.97	43.26	-	-	-	-
Others	-	-	85.68	-	-	-
Total	**1,141.92**	**1,662.11**	**2,351.62**	**814.44**	**1,024.73**	**839.84**

Note:

The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

Annexure XV - Restated consolidated Statement of Trade Payables and Other Current Liabilities

[All amounts in Millions, except as otherwise stated]

	As at					
Particulars	**September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Trade payables						
Trade payables	2,473.37	2,228.13	1,762.28	2,633.50	2,026.35	1,157.43
Total	**2,473.37**	**2,228.13**	**1,762.28**	**2,633.50**	**2,026.35**	**1,157.43**
Other current liabilities						
Current maturities of long term borrowings	2,204.74	1,843.88	1,019.40	1,669.15	2,893.51	1,097.30
Interest accrued and due on borrowings	130.81	25.06	13.06	-	1.75	1.22
Interest accrued but not due on borrowings	23.85	20.13	13.86	14.44	34.75	8.08
Advances from customers	795.62	969.50	1,132.72	1,088.90	7.51	0.43
Mobilisation and material advances received	2,373.30	2,457.32	432.18	1,167.82	2,070.29	1,201.47
Capital creditors	392.99	794.76	102.32	49.03	124.34	78.69
Retention money	275.16	235.38	184.58	229.00	131.69	172.99
Book overdraft	-	90.09	4.61	47.55	2.85	8.24
Statutory dues	335.60	310.19	70.42	136.30	82.49	111.13
Dues to joint ventures	72.87	95.30	312.62	774.80	916.50	711.29
Total	**6,604.94**	**6,841.61**	**3,285.77**	**5,176.99**	**6,265.68**	**3,390.84**

Note:

The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Group.

Annexure XVI - Restated Consolidated Statement of Other Income

[All amounts in Millions, except as otherwise stated]

		For the year ended						
Particulars	**For the six months ended September 30, 2012**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**	**Nature: Recurring/ Non Recurring**	**Nature: Related/ Other than normal business activity**
Interest income on								
Bank deposits	7.54	18.15	8.36	10.98	25.56	68.76	Recurring	Other than Normal business activity
Loans to related party	5.70	15.00	15.00	67.85	80.41	80.97	Recurring	Other than Normal business activity
Others	75.03	144.88	162.36	63.60	51.87	4.81	Recurring	Other than Normal business activity
Equipment hire charges	-	-	46.43	0.38	29.32	18.23	Recurring	Other than Normal business activity
Excise duty draw back	-	32.54	10.23	130.89	95.48	133.57	Non-recurring	Other than Normal business activity
Profit on disposal of current investments	-	-	1.02	-	-	15.49	Non-recurring	Other than Normal business activity
Reversal of diminution in the value of non current investments	-	6.00	-	1.30	-	-	Non-recurring	Other than Normal business activity
Insurance claims	-	-	-	-	-	140.79	Non-recurring	Other than Normal business activity
Exchange differences (net)	-	-	-	19.65	32.97	9.47	Recurring	Other than Normal business activity
Rental Income	2.22	3.15	1.49	-	-	-	Recurring	Other than Normal business activity
Miscellaneous income	54.27	45.19	117.81	37.21	29.60	18.52	Non-recurring	Other than Normal business activity
Total	**144.76**	**264.91**	**362.70**	**331.86**	**345.21**	**490.61**		

Notes:

1. The amounts disclosed above are based on the Restated Consolidated Statement of Profit and Loss of the Group.
2. The classification of other income as recurring/non-recurring, related/not-related to business activity is based on the current operations and business activities of the Group, as determined by the management.
3. Interest on loans to related party pertains to loans to Entities owned by or where significant influence is exercised by Key Managerial Personnel or their relatives. Refer Annexure IV - B. 4.5 for details.
4. Interest on others pertains to interest income accrued by the Group on claims made against customers.

Annexure XVII - Capitalisation Statement
[All amounts in Millions, except as otherwise stated]

	Particulars	Pre issue as at September 30, 2012	As adjusted for IPO (Refer Note 6 below)
	Debt		
A.	Long term debts	16,581.02	[•]
B.	Short term debts	4,550.04	[•]
	Total debt	**21,131.06**	[•]
	Shareholders' funds		
C.	Equity share capital	248.57	[•]
D.	Reserves and surplus	7,128.28	[•]
E.	**Total shareholders' funds**	**7,376.85**	[•]
F.	**Long term debts / shareholders' funds ratio (A/E)**	**2.25**	[•]

Notes:

1. The above has been computed on the basis of the restated consolidated summary statements of the Group.
2. Short-term debt represents debts which are due within twelve months from the date of borrowings.
3. Long-term debt represents debt other than short-term debt, as defined above and excludes current maturities of long term debt payable within one year amounting to Rs. 2,204.74 Million.
4. Reserves and surplus represents securities premium received on issue of equity share capital, general reserve and balance in statement of profit and loss.
5. 12,428,668 equity shares of Rs. 10 each were alloted as fully paid up bonus shares by capitalization of balance in securities premium account on February 03, 2011.
6. The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building porcess and hence the same have not been provided in the above statement.

Annexure XVIII - Restated consolidated statement of Accounting Ratios

[All amounts in Millions, except as otherwise stated]

	Particulars	As at and for the six months ended	As at and for the year ended				
		September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008
	Basic and diluted earnings per share (in Rs.) (A/C) (Refer note 2(a) and (b) below)	21.74	11.60	21.72	32.46	14.73	18.35
	Return on net worth (%) (A/B) (Refer note 2(c) below)	7.33%	4.22%	8.27%	13.47%	7.05%	9.45%
	Net asset value per equity share (in Rs) (B/D) Refer note 2(d) below	296.77	275.03	262.70	240.97	208.89	194.30
A.	Net profit after tax, as restated attributable to equity shareholders	540.42	288.33	539.93	806.87	366.26	456.22
B.	Net worth, as restated at the end of the period/ year	7,376.85	6,836.57	6,529.91	5,989.90	5,192.53	4,829.82
C.	Weighted average number of equity shares considered for computing basic and diluted earnings per share (Refer note 3 below)	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336
D.	Total number of equity shares outstanding at the end of the period/ year (Refer note 4 below)	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336	24,857,336

Notes:

1. The figures disclosed above are based on the Restated consolidated Summary of Statements of the Group.

2. The accounting ratios have been computed using the formulas referred below:

(a) Basic earnings per share = $\frac{\text{Net profit, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/ year}}$

(b) Diluted earnings per share = $\frac{\text{Net profit, as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares outstanding during the period/ year}}$

(c) Return on net worth (%) = $\frac{\text{Net profit, as restated}}{\text{Net worth, as restated, at the end of the period/ year}}$

(d) Adjusted net asset value per equity share = $\frac{\text{Net worth, as restated, at the end of the period/ year}}{\text{Adjusted number of equity shares outstanding at the end of period/ year}}$

3. Earnings per share is computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share" prescribed under the Companies (Accounting Standards) Rules 2006, as amended. As per AS 20, in case of bonus shares, the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. The Company has issued bonus shares, in the ratio of one share for every one share held, to the existing shareholders by way of capitalization of balance in securities premium account which has been approved at the annual general meeting held by the Company on September 30, 2010. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

4. During the year ended March 31, 2011, the Company issued bonus shares, in the ratio of one equity share for every one share held, to the existing shareholders by way of capitalization of balance in share premium account which has been approved at the annual general meeting held by the Company on September 30, 2010.

5. Net worth for ratios mentioned above in note 2 (c) and 2 (d) represents sum of Equity Share Capital and Reserves and surplus (Securities Premium, Foreign Currency Translation Reserve, General Reserve, Debenture Redemption Reserve, Housing Project Reserve and Statement of Profit and Loss).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is based on our consolidated Financial Statements as at and for six months ended September 30, 2012 and as at and for the years ended March 31, 2012, 2011, 2010 and 2009 included in the section titled "**Financial Statements**" on page 240. Unless otherwise stated, the financial information used in this section is derived from our*

*consolidated Financial Statements. 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 Draft Red Herring Prospectus, nor do we provide a reconciliation of our Financial Statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI Regulations. 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 sections titled "**Risk Factors**" and "**Forward Looking Statements**" on pages 22 and 20, respectively. Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve months ending March 31 of that particular year.*

Overview

We are an infrastructure construction, development and management company with extensive experience in our focus area of road projects, including highways. As part of our construction business ("**Construction Business**") we provide services including engineering, procurement and construction ("**EPC**") services on a fixed-sum turnkey basis as well as on an item rate basis for various infrastructure projects including projects relating to roads, airport runways, railways, transmission lines, irrigation and building construction. As part of our development business ("**Development Business**"), we develop road projects on a "Build, Operate and Transfer" basis ("**BOT**"), operate them during the concession period on toll or annuity basis and subsequently transfer the projects to NHAI. We are also currently developing and constructing residential building projects both in India and Dubai ("**Real Estate Development Business**").

Certain Factors Affecting Our Results of Operations

Our results of operations are affected by the following factors:

Increased Competition

We face significant competition from several competitors including large listed competitors in relation to our Construction business for EPC work in relation to road and other infrastructure projects, and in relation to our Development Business, for development of road projects on BOT basis.

While the level and intensity of competition varies depending on the size, nature and complexity of the projects and on the geographical region in which the project is to be executed, the presence of significant competition in any sector in which we operate may force us to bid at reduced prices and reduce our margins, which in turn could affect our profitability.

Changes in policies or delays in the award of infrastructure projects by the Government:

Our business is substantially dependent on road projects in India undertaken or awarded by Government authorities and other entities funded by Governments. There are different models currently being adopted for PPPs in India which vary in the distribution of risks and responsibility between the public and the private sectors for financing, constructing, operating, and maintaining projects. Any change in Government policies resulting in a decrease in the amount of road projects awarded or a decrease in private sector participation in road projects may adversely affect our business and results of operations. In Fiscal 2012, there has been a slowdown in contracts being awarded by NHAI. Further, any delays in the notification of appointed dates for awarded NHAI projects may also affect us adversely. For further details, see section titled *"**Industry Overview**"* on page 126.

Delay in land acquisition and other pre-requisites for Government contracts:

In all of our Government contracts for road projects, the Government entities are required to facilitate the acquisition or lease of or secure rights of way over, tracts of private land and/or to hand over unencumbered Government land, free of encroachments. Delays in such acquisition or lease or securing rights of way over such private lands or in the eviction of encroachments may result in delay in notification of the appointed date, project implementation prescribed by the relevant concession agreement and cause consequent construction delays. Any delays or inability to complete such acquisitions may also result in cost increases in the price of construction materials from original estimates, which we may not be able to pass on to clients. Moreover, we may be exposed to legal proceedings or claims by landowners objecting to the acquisition of their lands for our projects. These factors could have an adverse effect on our revenues, business, financial condition and results of operations.

Differences between forecasted and actual traffic volumes:

Our revenues are substantially dependent on us accurately forecasting traffic volumes from toll-based BOT Projects under Development. BOT Projects under Development involve agreements that are long-term in nature, usually involving a concession period of between 18 to 30 years. When preparing our tender for a toll-based BOT project (a road or a bridge) or a contract to collect tolls, we need to forecast the traffic volume for the road or bridge in order to work out our expected revenue over the concession period or the contract period, as applicable, in order to arrive at the price we are going to bid to pay or be paid for taking on such BOT project or contract. Any material decrease between the actual traffic volume and our forecast traffic volume for a toll-based BOT Project under Development or a contract to collect tolls could have a material adverse effect on our cash flows, results of operations and financial condition.

***Unanticipated increases in cost of labour, materials and other inputs in relation to our Construction and Development Businesses*:**

The cost of labour, materials and other inputs constitutes a significant part of our operating expenses for our Projects under Construction. These Projects under construction generally take more than a year and can take as much as four years for completion. For further details in this regard please refer to section titled *"**Our Business – Projects under Construction**" and "**Our Business – BOT Projects under Development**"* on pages 160 and pages 162, respectively. In addition, especially for BOT Projects under Development, there is often a duration of more than 180 days between the submission of our tender and the beginning of construction work. Due to the often long-period between the submission of our tender and completion of construction, the cost of labour, construction materials and other inputs may increase more than we expected and our actual expenses in constructing a project may vary substantially from the assumptions underlying our bid. Our ability to pass on unanticipated increases in the price of labour, construction materials, and other inputs may be limited in the case of BOT projects which are on lump sum turnkey basis or with limited price escalation provisions and this may have a material adverse effect on our results of operations and financial condition.

***Availability of cost effective funding sources and changes in interest rates*:**

Our ability to grow in the infrastructure sector depends largely on cost effective avenues of funding, which will be primarily met through debt/loan borrowing from external sources. Our debt service costs as well as our overall cost of funds depend on many external factors, including developments in the Indian credit markets and, in particular, interest rate movements and the existence of adequate liquidity in the debt markets. With the growth of our operations, we have had to increasingly access commercial borrowings and bear higher interest rates. We believe that going forward the availability of cost effective funding sources could affect our business operations and financial performance.

As of September 30, 2012, our total secured and unsecured borrowings on a consolidated basis amounted to ₹ 23,335.80 million. All of our debt facilities are subject to variable interest rates or variation with reference interest rates.

Increases in interest rates will have an adverse effect on our results of operations. Likewise, decreases in interest rates will have a positive effect on our results of operations. Interest charges for loans taken to finance construction of a BOT Project under Development are shown in our financial statements as an intangible development until such time that the project is fully constructed and ready for use.

Timing and terms of Projects under Construction and BOT Projects under Development:

The revenue from our Construction and Development Business is derived primarily from contracts awarded to us on a project-by-project basis, and our results of operations and cash flows can fluctuate materially from period to period depending on the timing of contract awards. Although we have been successful in obtaining new contracts and growing the size of our Order Book in the past, we cannot predict when, if at all, we will be awarded new projects.

Our ability to win new projects depends on various factors such as the demand for the services we provide and competition for those contract awards. Further, our ability to win larger contracts may also be dependent on our ability to partner and collaborate with other joint venture partners or co-sponsors and maintain a continuing relationship with our significant clients, including Government entities such as NHAI. In addition, our ability to negotiate on government contracts is limited.

Seasonality and weather conditions:

Our business 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 project sites in accordance with contract schedules or generally reduce our productivity. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and monsoon seasons, each of which may restrict our ability to carry on construction activities and fully utilise our resources. During periods of curtailed activity due to adverse weather conditions, we may continue to incur overhead expenses, but our revenues from operations may be delayed or reduced.

Success of our proposed Arena Apartments Project and Bollineni Hillside Project:

Our Arena Apartments Project and Bollineni Hillside Project have entailed significant capital investment both for the acquisition of the relevant project lands as well as the construction and development of such projects.

Construction for our Arena Apartments Project was commenced in 2008. Subsequently, due to the economic slowdown in 2008, our customers ceased to make payments towards the construction. The advance payments paid by certain of our customers were forfeited. Subsequently, construction on our Arena Apartments Project has been resumed in Fiscal 2012.

Construction of our Bollineni Hillside Project which began in 2008 had slowed down since Fiscal 2009 for lack of demand. We have resumed construction in Fiscal 2012. The estimated completion date for this project is September 2013. We have not started construction of Phase II of our Bollineni Hillside Project.

We will be required to obtain various permits, licences and other regulatory approvals in connection with the construction of both of these Projects. In addition, we will also be required to make significant capital investments into the said projects and effectively market the same to new buyers. In the event we are not able to completely complete the above projects or successfully sell or market any part of the above projects, our results of operations may be adversely affected.

Tax benefits and incentives:

Our Development Business with respect to the BOT Projects under Development is eligible for certain tax benefits and incentives that accord favourable treatment to its road development activities and entitle it to certain deductions under Section 80(I)A of the Income Tax Act. For details of the same see section titled ***"Statement of Tax Benefits"*** on page 112. In the future, we believe that any change in the existing tax benefits and incentives may affect our results of operations.

Our significant accounting policies

1. Basis of preparation of financial statements

The restated consolidated summary statements have been prepared by applying the necessary adjustments to the financial statements of the Group. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting under the Companies Act, 1956 and the accounting principles generally accepted in India ('Indian GAAP') and comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006, (as amended), to the extent applicable. The accounting policies have been consistently applied by the Group and are consistent with those used for the purpose of preparation of financial statements as at and for the six months ended September 30, 2012.

Presentation and disclosure of financial statements

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Group, for preparation and presentation of its financial statements. Accordingly the Group has presented the financial statements as at September 30, 2012, March 31, 2012 and for the period/year then ended along with the comparatives as at March 31, 2011 and for the year then ended following the requirement of revised Schedule VI. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Group has also reclassified the previous year figures pertaining to year ended March 31, 2010, March 31, 2009 and March 31, 2008 in accordance with the requirements of revised Schedule VI.

The Group has prepared these restated consolidated Summary Statements along with related notes in accordance with the requirements of the Guidance Notes on revised Schedule VI and has reclassified previous year figures accordingly.

2. Summary of Significant Accounting Policies

a. Principles of consolidation

Investments in subsidiaries and joint ventures in the consolidated financial statements are accounted for in accordance with the accounting principles as defined in the Accounting Standard - 21 "Consolidated financial statements" and Accounting Standard - 27 "Financial reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006, (as amended) respectively. The consolidated financial statements are prepared on the following basis:

i. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances, intra-group transactions and unrealized profit or loss, except where cost cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.

ii. Interests in the assets, liabilities, income and expenses of the Joint Ventures are consolidated using proportionate consolidation method. Intra group balances, intra-group transactions and unrealized profit or loss are eliminated to the extent of the Group's proportionate share.

iii. The BOT/DBFOT contracts are governed by "service concession agreements" with government authorities (grantor). Under these agreements, the operator does not own the road, but gets "toll collection rights" / "right to receive annuity" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against "toll collection rights "/ "right to receive annuity", profit from such contracts is considered as realised.

iv. Accordingly, BOT/DBFOT contracts awarded to group companies (operator), where work is subcontracted to the Company / joint ventures, the intra group transactions on BOT/DBFOT contracts and the profits arising thereon are taken as realised and not eliminated.

v. The difference between the cost to the Group of investment in Subsidiaries and Joint Ventures and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment annually.

vi. Minorities' interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding company.

vii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.

viii. The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

ix. As per Accounting Standard 21 – "Consolidated financial statements" notified by Companies (Accounting Standards) Rules, 2006 (as amended), only those notes involving items which are material to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiaries, joint ventures and/or the parent having no bearing on the true and fair view of the consolidated financial statements, is not disclosed in the consolidated financial statements.

The consolidated financial statements as at and for the six months ended September 30, 2012 and as at and for the years ended March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and March 31, 2008 have been prepared on the basis of the financial statements of the following subsidiaries and joint venture entities:

Name of the subsidiary / joint venture entity	Country of incorporation	% of interest					
		As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
Subsidiaries of BSCPL							
BSCPL Infra Projects Limited (BIPL)	India	100%	100%	100%	100%	100%	100%
BSCPL International FZE (BIF)	United Arab Emirates	100%	100%	100%	100%	100%	100%
BSCPL Realty Limited	India	-	-	-	100%	100%	100%
BSCPL Aurang Tollway Limited (BATL)	India	100%	100%	-	-	-	-
BSC-C&C Kurali Tollway Limited (BKTL)	India	-	-	-	-	-	51%
Subsidiaries of BIPL							
BSCPL Godhra Tollway Limited (BGTL)	India	100%	100%	100%	100%	-	-

Name of the subsidiary / joint venture entity	Country of incorporation	% of interest					
		As at September 30,	As at March 31,				
		2012	2012	2011	2010	2009	2008
BSC-C&C Kurali Toll Road Limited (BKTL)	India	51%	51%	51%	51%	51%	-
Joint ventures of BIF ((Association of persons /incorporated entities)							
Green Desert Venture Limited	United Arab Emirates	70%	70%	70%	70%	-	-
Green Desert Venture Inc.	Bahamas	70%	70%	70%	70%	-	-
Progressive International Holding Inc.	British Virgin Islands	70%	70%	70%	70%	-	-
Bollineni Developers (JV)	United Arab Emirates	-	-	70%	70%	70%	70%
Joint Ventures of BSCPL							
BSC-KGLC	India	60%	60%	60%	60%	60%	60%
BSC – KGLC, Airport JV	India	90%	90%	90%	90%	90%	-
BSC - C&C	India	50%	50%	50%	50%	50%	50%
BSC-RBM-PATI	India	50%	50%	50%	50%	50%	50%
BSCPL- SCL	India	50%	50%	50%	50%	50%	50%
CR18G-BSCPL	India	50%	50%	50%	50%	50%	50%
SOMA –BSCPL (JV)	India	50%	50%	50%	50%	50%	50%
SCL-BSCPL	India	35%	35%	35%	35%	35%	35%
North Bihar Highway Limited (NBHL)	India	39.23%	39.23%	50%	-	-	-
Mokama Munger Highway Limited (MMHL)	India	50%	50%	50%	-	-	-
Patna Bhaktiyarpur Tollway Limited (PBTL)	India	50%	50%	50%	-	-	-
Simphapuri Express Limited	India	49%	49%	49%	-	-	-
BSC-C&C Nepal (JV) Private Limited	Nepal	50%	50%	50%	50%	50%	50%

The Company had incorporated a subsidiary in the name of B. Seenaiah & Company Nepal Private Limited, Nepal in 2006-07. The subsidiary could not expand its business in expected lines and hence the Company decided to dispose this investment at the earliest opportunity. The investment was considered to be temporary and not material and accordingly not consolidated in earlier years. During the year ended March 31, 2012, the Company has wound up this subsidiary.

b. Use of estimates

The preparation of the restated consolidated financial statements in conformity with Indian GAAP which requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

c. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation/amortization and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

From accounting periods commencing on or after December 07, 2006, the group adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Assets retired from active use and held for disposal are stated at their estimated net realizable values or net book values, whichever is lower.

d. Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangible assets are stated at cost less accumulated amortization.

Highways represents commercial rights to collect toll fee in relation to road projects/ to receive annuity in the case of annuity based projects which has been accounted for at the cost incurred on the project activity towards construction, strengthening, widening, rehabilitation of the roads on BOT/DBFOT. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

e. Depreciation / amortization

Tangible assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which coincides with the corresponding rates prescribed under Schedule XIV to the Companies Act, 1956, except the following:

(i) Leasehold improvements are amortized over the period of the lease or estimated useful life of 7 years whichever is lower,

(ii) Temporary erections in the form of sheds, camps, etc., are depreciated over the period of the respective project i.e., 3 years, and

(iii) Shuttering materials are depreciated over a period of 6 years.

Individual assets not exceeding Rs. 5,000 are entirely depreciated in the year of purchase.

Intangible assets

Highways are amortized on a straight line basis, either based on the actual toll collections as against the total projected toll collection for the concession period or over the period of the respective concessionaire agreement, whichever is higher. The concession agreements range from 16 to 30 years, which is beyond the maximum period of 10 years as specified in the AS 26 on Intangible Assets, as the economic benefits from the underlying assets would be available to the Group over such period as per the respective concessionaire agreements.

f. Leases

Where the Group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

g. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of a asset (including real estate project) that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/ inventorized as part of the cost of the respective asset/ project. All other borrowing costs are expensed in the period they occur.

h. Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

i. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government grants related to specific fixed assets are deducted from the gross value of the assets concerned in arriving at their book value.

j. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

k. Inventories

(i) Materials and stores and spares are valued at lower of cost and net realizable value. Cost of raw materials and stores and spares is determined on first-in-first out basis.

(ii) Construction work-in-progress related to project and construction is valued at cost till such time the outcome of the related project is ascertained reliably and at contractual rates thereafter.

(iii) Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods is determined on a first-in-first out basis.

(iv) Real estate under development related to project works is valued at lower of cost and net realizable value, till such time the outcome of the related project is ascertained reliably. Cost includes cost of land, cost of materials, borrowing costs to the extent it relates to specific project and other related project overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

l. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Accounting Standard (AS) 7 "Construction Contracts" notified by the Companies Accounting Standards Rules, 2006 (as amended). Percentage of completion is determined on the basis of survey of work performed. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for. The effect of any adjustment arising from revisions to estimates is included in the statement of profit and loss of the period in which the revisions are made.

Price escalation and other claims and /or variation in the contract work are included in contract revenue only when:

(ii) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim; and

(iii) The amount that is probable will be accepted by the customer can be measured reliably

(iv) Revenue from long term construction contracts includes revenue from construction services provided under the "service concession agreements" and is measured at the fair value of construction services rendered, where total income and expenses associated with the construction work and the stage of completion can be determined reliably. The stage of completion is determined on the basis of surveys performed. Fair value of the construction services rendered is estimated by the Management to be value of "Engineering, Procurement and Construction Contract" awarded by the operator/special purpose vehicles to the Company/joint venture and other indirect costs incurred in connection with the construction of the highways.

(v) Revenue from sale of metal and aggregates is recognized when significant risk and reward of ownership of the goods have passed to the buyer, i.e. usually on delivery of goods.

(vi) Revenue from real estate under development is recognized upon transfer of significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the agreement for sale and when the buyer's investment is adequate enough to demonstrate a commitment to pay.

(vii) In accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the Institute of Chartered Accountants of India (the "ICAI") the Revenue from sale of residential and commercial properties is recognized on the "percentage of completion method". Percentage of completion is determined on the basis of actual project cost (excluding cost of Land) incurred thereon to total estimated project cost, where the actual cost is 25 percent or more of the total estimated project cost. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

(viii) Toll revenue from operation is recognised on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the "service concession agreements".

(ix) Revenue from maintenance contract is recognized on accrual basis and billed as per the terms of the specific contract.

(x) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

m. Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

From accounting period commencing on or after December 07, 2006, the Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the Group treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.

- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

- All other exchange differences are recognized as income or as expenses in the period in which they arise.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(v) Translation of integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself.

(vi) Translation of non-integral foreign operation

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. There is no other obligation, other than the contribution payable to the provident fund.

The group operates a defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Short term leave encashment is provided for based on estimates. Since the Group does not have an unconditional right to defer its settlement for 12 months after the reporting date the Group presents the liability as short term provisions.

o. Segment reporting

Identification of segments

The Group operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

p. Income taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the domestic tax laws of the countries in which the consolidated entities operate. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

q. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present values 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.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Provision for major maintenance:

Contractual obligations to periodically maintain, replace or restore infrastructure as per the terms of the concession agreement are provided for in accordance with Accounting Standard (AS) - 29 "Provision, Contingent Liabilities and Contingent Assets" i.e., at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

s. Contingent liabilities

A contingent liability A contingent liability as defined under AS 29 – "Provisions, Continent Liabilities and Contingent Assets" notified by the Companies Accounting Standard Rules, 2006 (as amended), is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u. Derivative instruments

In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

v. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

Results of our operation

The following table sets forth certain information with respect to our results of operations for the periods indicated:

(₹ in million)

Particulars	For the six months ended September 30, 2012	Percentage to total Revenue	For the year ended March 31,									
			2012	Percentage to total Revenue	2011	Percentage to total Revenue	2010	Percentage to total Revenue	2009	Percentage to total Revenue	2008	Percentage to total Revenue
Revenue from Operations												
Revenue from construction contracts	10,391.27	84.03%	15,626.79	84.33%	10,067.37	82.26%	13,933.61	94.96%	9,562.09	91.40%	7,131.81	90.10%
Revenue from Real estate development	1,065.75	8.62%	2,032.53	10.97%	1,573.36	12.86%	-	0.00%	-	0.00%	-	0.00%
Toll Revenue from BOT Projects	606.52	4.90%	473.46	2.55%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Revenue from maintenance	125.12	1.01%	58.52	0.32%	-	0.00%	-	0.00%	-	0.00%	-	0.00%

Particulars	For the six months ended September 30, 2012	Percentage to total Revenue	For the year ended March 31,									
			2012	Percentage to total Revenue	2011	Percentage to total Revenue	2010	Percentage to total Revenue	2009	Percentage to total Revenue	2008	Percentage to total Revenue
contract												
Sale of metals	33.04	0.27%	74.62	0.40%	235.48	1.92%	407.94	2.78%	554.84	5.30%	292.75	3.70%
Revenue from operations (net)	**12,221.70**	98.83%	**18,265.92**	98.57%	**11,876.21**	97.04%	**14,341.55**	97.74%	**10,116.93**	96.70%	**7,424.56**	93.80%
Other income	144.76	1.17%	264.91	1.43%	362.70	2.96%	331.86	2.26%	345.21	3.30%	490.61	6.20%
Total (I)	**12,366.46**	100.00%	**18,530.83**	100.00%	**12,238.91**	100.00%	**14,673.41**	100.00%	**10,462.14**	100.00%	**7,915.17**	100.00%
Expenses:												
Cost of raw material and components consumed	3,052.10	24.68%	3,707.09	20.00%	4,333.07	35.40%	6,894.55	46.99%	4,211.31	40.25%	2,678.29	33.84%
(Increase)/decrease in inventories of work-in-progress, real estate under development and finished goods	236.04	1.91%	1,533.65	8.28%	(1,058.45)	-8.65%	(1,443.41)	-9.84%	(1,564.32)	-14.95%	(1,000.45)	-12.64%
Subcontract expenses	3,376.76	27.31%	5,393.62	29.11%	1,957.10	15.99%	1,707.28	11.64%	2,315.12	22.13%	2,318.24	29.29%
Employee benefits expense	888.57	7.19%	1,540.69	8.31%	1,345.83	11.00%	1,353.41	9.22%	1,045.48	9.99%	672.05	8.49%
Other expenses	1,924.04	15.56%	3,047.87	16.45%	2,635.16	21.53%	3,112.78	21.21%	2,582.59	24.69%	1,746.39	22.06%
Total (II)	**9,477.51**	76.64%	**15,222.92**	82.15%	**9,212.71**	75.27%	**11,624.61**	79.22%	**8,590.18**	82.11%	**6,414.52**	81.04%
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)	**2,888.95**	23.36%	**3,307.91**	17.85%	**3,026.20**	24.73%	**3,048.80**	20.78%	**1,871.96**	17.89%	**1,500.65**	18.96%
Depreciation and amortization expense	522.66	4.23%	861.04	4.65%	648.34	5.30%	622.79	4.24%	459.11	4.39%	346.85	4.38%
Finance costs	1,566.48	12.67%	2,028.80	10.95%	1,542.18	12.60%	1,103.71	7.52%	789.79	7.55%	506.83	6.40%
Restated profit before tax	**799.81**	6.47%	**418.07**	2.26%	**835.68**	6.83%	**1,322.30**	9.01%	**623.06**	5.96%	**646.97**	8.17%
Tax expenses/ (credit)												
Current tax	374.90	3.03%	312.95	1.69%	316.20	2.58%	429.45	2.93%	191.61	1.83%	175.99	2.22%
Deferred tax	(30.14)	-0.24%	(63.70)	-0.34%	(20.45)	-0.17%	85.98	0.59%	65.68	0.63%	14.76	0.19%
Total tax expense	**344.76**	2.79%	**249.25**	1.35%	**295.75**	2.42%	**515.43**	3.51%	**257.29**	2.46%	**190.75**	2.41%
Profit after tax before minority interest	**455.05**	3.68%	**168.82**	0.91%	**539.93**	4.41%	**806.87**	5.50%	**365.77**	3.50%	**456.22**	5.76%
Less: Share of Minority Interest	(85.37)	-0.69%	(119.51)	-0.64%	-	0.00%	-	0.00%	(0.49)	0.00%	-	0.00%
Restated Profit for the period/ year	**540.42**	4.37%	**288.33**	1.56%	**539.93**	4.41%	**806.87**	5.50%	**366.26**	3.50%	**456.22**	5.76%

*Revenue from operations (net) (“***Revenue from Operations***”)*

Our revenue is comprised of revenue from construction contracts, revenue from real estate development, toll revenue from Completed BOT Projects, revenue from maintenance contract, sale of metals and other income.

(₹ in million)

Particulars	For the six months ended September 30, 2012	Percentage to total revenue	For the year ended March 31,									
			2012	Percentage to total revenue	2011	Percentage to total revenue	2010	Percentage to total revenue	2009	Percentage to total revenue	2008	Percentage to total revenue
Revenue from Operations												
Revenue from construction contracts	10,391.27	84.03%	15,626.79	84.33%	10,067.37	82.26%	13,933.61	94.96%	9,562.09	91.40%	7,131.81	90.10%
Revenue from Real estate development	1,065.75	8.62%	2,032.53	10.97%	1,573.36	12.86%	-	0.00%	-	0.00%	-	0.00%
Toll revenue from BOT Projects	606.52	4.90%	473.46	2.55%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Revenue from maintenance contract	125.12	1.01%	58.52	0.32%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Sale of metals	33.04	0.27%	74.62	0.40%	235.48	1.92%	407.94	2.78%	554.84	5.30%	292.75	3.70%
Revenue from operations (net)	**12,221.70**	98.83%	**18,265.92**	98.57%	**11,876.21**	97.04%	**14,341.55**	97.74%	**10,116.93**	96.70%	**7,424.56**	93.80%
Other income	144.76	1.17%	264.91	1.43%	362.70	2.96%	331.86	2.26%	345.21	3.30%	490.61	6.20%
Total Revenue	**12,366.46**	100.00%	**18,530.83**	100.00%	**12,238.91**	100.00%	**14,673.41**	100.00%	**10,462.14**	100.00%	**7,915.17**	100.00%

Our revenue from construction contracts include revenue recognized based on EPC billings to the Company’s SPVs and other clients and in Fiscal 2012 and Fiscal 2011, also on account of revenue of our certain SPVs from construction services provided under service concession agreements.

Our revenue from real estate development comprises revenue recognised from our Bollineni Hillside Project on a percentage completion basis, our revenue from toll operations comprises toll collections from our Chilkaluripet-Nellore Project and Kurali-Kiratpur Project, Our revenue from maintenance contract constitutes revenue from maintenance operations for our Completed BOT Projects. Our revenue from sale of metals comprises revenue generated from sale of crushing stone (“**Metal**”). Our other income comprises of income from recurring and non recurring sources as described below.

Other income

Our other income comprises of recurring sources as well as non-recurring sources. Our recurring sources of other income comprised of interests on bank deposits, interest on loans to related party and interest on others, which includes accrued interest on claims made by us pursuant to our construction contracts, equipment hire charges, exchange differences and rental income. Our non -recurring sources of other income comprises profit on the disposal of current investments, excise duty drawback, reversal of diminution in value of the non-current investments, exchange differences (net) and miscellaneous income.

The following table shows the breakdown of our other income for the six months ended September 30, 2012 and as at for Fiscals 2012, 2011, 2010, 2009 and 2008.

(₹in million)

Particulars		For the year ended					Nature	
	For the six months ended September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	Recurring/ Non Recurring	Related/ Other than normal business activity
Interest income on								
- Bank deposits	7.54	18.15	8.36	10.98	25.56	68.76	Recurring	Other than Normal business activity
- Loans to related party	5.70	15.00	15.00	67.85	80.41	80.97	Recurring	Other than Normal business activity
- Others	75.03	144.88	162.36	63.60	51.87	4.81	Recurring	Other than Normal business activity
Equipment hire charges	-	-	46.43	0.38	29.32	18.23	Recurring	Other than Normal business activity
Excise duty draw back	-	32.54	10.23	130.89	95.48	133.57	Non-recurring	Other than Normal business activity
Profit on disposal of current investments	-	-	1.02	-	-	15.49	Non-recurring	Other than Normal business activity
Reversal of diminution in the value of non current investments	-	6.00	-	1.30	-	-	Non-recurring	Other than Normal business activity
Insurance claims	-	-	-	-	-	140.79	Non-recurring	Other than Normal business activity
Exchange differences (net)	-	-	-	19.65	32.97	9.47	Recurring	Other than Normal business

Particulars		For the year ended					Nature	
	For the six months ended September 30, 2012	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2008	Recurring/ Non Recurring	Related/ Other than normal business activity
								activity
Rental Income	2.22	3.15	1.49	-	-	-	Recurring	Other than Normal business activity
Miscellaneous income	54.27	45.19	117.81	37.21	29.60	18.52	Non-recurring	Other than Normal business activity
Total	**144.76**	**264.91**	**362.70**	**331.86**	**345.21**	**490.61**		

Expenses

Our expenses comprise of the cost of raw material and components consumed, increase/decrease in inventories of work-in-progress, real estate under development and finished goods, subcontract expenses, employee benefits expense, other expenses, depreciation and amortization expense and finance costs.

The following table shows the breakdown of our expenses for the six month ended September 30, 2012 and for the Fiscals 2012, 2011, 2010, 2009 and 2008.

(₹in million)

Expenses	For the six months ended September 30,	For the year ended March 31,				
	2012	**2012**	**2011**	**2010**	**2009**	**2008**
Cost of raw material and components consumed	3,052.10	3,707.09	4,333.07	6,894.55	4,211.31	2,678.29
(Increase)/ Decrease in inventories of work-in-progress, real estate under development and finished goods	236.04	1,533.65	(1,058.45)	(1,443.41)	(1,564.32)	(1,000.45)
Subcontract expenses	3,376.76	5,393.62	1,957.10	1,707.28	2,315.12	2,318.24
Employee benefits expense	888.57	1,540.69	1,345.83	1,353.41	1,045.48	672.05
Other expenses	1,924.04	3,047.87	2,635.16	3,112.78	2,582.59	1,746.39
Depreciation and amortisation	522.66	861.04	648.34	622.79	459.11	346.85
Finance costs	1,566.48	2,028.80	1,542.18	1,103.71	789.79	506.83
Total Expenses	**11,566.65**	**18,112.76**	**11,403.23**	**13,351.11**	**9,839.08**	**7,268.20**

Of our total expenses, (a) cost of raw material and components consumed comprises expenditure towards the purchase of raw materials; (b) increase/decrease in inventories of work-in-progress, real estate under development and finished goods comprises the movement of the respective items with respect to their opening balance as compared with their closing balance. Work- in -progress in our Construction Business is attributable to completed constructions which are pending certification by the client and subsequent billing to the client. Work-in -progress with reference to our Real estate under development comprises the cost incurred and pending recognition of revenues; (c) subcontract expenses with reference to our Construction Business comprise expenditure towards job work which is subcontracted; and with reference to our Development Business and in Fiscals 2012 and 2011, comprised of our proportional share of the subcontract expenses of our JV SPVs, (d) wages and bonus paid to our employees, contribution to provident and other funds, staff welfare and gratuity; (e) other expenses comprise power and fuel expenses, rent, rates and taxes, sales tax and service tax, insurance, repairs and maintenance of plant and machinery, equipment hire changes, freight and transportation charges, communication costs, printing and stationary, legal and professional charges, loss on sale of assets, tender expenses, business promotion, travel and conveyance, auditors remuneration, exchange fluctuation loss, bad debts/advances written off, duty drawback written off, diminution in value of current investment, provision for doubtful receivables and advances, provision for defect liability, provision for impairment loss on fixed assets, provision for major maintenance, miscellaneous expenses and diminution in value of investments.

Depreciation and amortization expense and Finance Costs

Our depreciation and amortisation expense comprises depreciation of the fixed assets of the Company and amortisation of intangible assets of our BOT SPVs.

Our finance costs comprise interest expense, amortization of ancillary borrowing costs, discounting charges on commercial papers, bank charges and commissions net of borrowing costs capitalised for asset construction under progress and in Fiscal 2012 and Fiscal 2011 include interest costs incurred by our SPVs while funding their ongoing projects

Six Months ended September 30, 2012

Revenue from Operations

Our Revenue from Operations for the six months ended September 30, 2012 was ₹ 12,221.70 million, comprising primarily of revenue from construction contracts, revenue from Real estate development, revenue from maintenance contract, Toll revenue from BOT projects and revenue from sale of metals.

Other income

Our other income was ₹ 144.76 million for the six months ended September 30, 2012.

Expenses

Our total expenses for the six months ended September 30, 2012 were ₹ 11,566.65 million or 93.53 % of our Revenue from Operations and Other income ("**Total Revenue**").

Cost of raw material and components consumed

Our expense for the six months ended September 30, 2012 towards cost of raw material and components consumed was ₹ 3,052.10 million or 24.68% of our Total Revenue

Increase/decrease in inventories of work-in-progress, real estate under development and finished goods

Our inventories of work-in-progress, real estate under development and finished goods decreased to ₹.236.04 million for the six months ended September 30, 2012.

Subcontract expense

Our expense for the six months ended September 30, 2012 towards subcontract expenses was ₹ 3,376.76 million or 27.31% of our Total Revenue.

Employee benefits expense

Our employee benefits expense for the six months ended September 30, 2012 was ₹ 888.57 million or 7.19% of our Total Revenue.

Other expenses

Our other expenses for the six month ended September 30, 2012 was ₹ 1,924.04 million or 15.56% of our Total Revenue.

Depreciation and amortization expense

Our depreciation and amortization expenses for the six months ended September 30, 2012 were ₹ 522.66 million, or 4.23 % of our Total Revenue.

Finance costs

Our finance costs for the six months ended September 30, 2012 was ₹ 1,566.48 million, or 12.67% of our Total Revenue.

Restated Profit before tax

On account of the foregoing, our restated profit before tax for the six month period ended September 30, 2012 was ₹ 799.81 million, or 6.47 % of our Total Revenue.

Tax expenses

Our tax expenses for the six month period ended September 30, 2012 was ₹ 344.76 million, or 2.79 % of our Total Revenue.

Profit after tax before minority interest

Our profit after tax before minority interest for the six month period ended September 30, 2012 was ₹ 455.05 million, or 3.68 % of our Total Revenue.

Share of Minority Interest

Our share of minority interest expenses for the six month period ended September 30, 2012 was ₹ 85.37 million, or 0.69 % of our Total Revenue.

Restated Profit for the period

On account of the foregoing, our restated Profit for the period for the six months ended September 30, 2012 was ₹ 540.42 million, or 4.37 % of our Total Revenue.

Fiscal 2012 compared to Fiscal 2011

Revenue from Operations

Our Revenue from Operations increased by 53.80 % from ₹ 11,876.21 million in Fiscal 2011 to ₹ 18,265.92 million in Fiscal 2012 due to an increase in our revenue from construction contracts, increase in revenue recognized from our Bollineni Hillside Project pursuant to progress in construction of the project, increase in revenue from maintenance contract and commencement of revenue from toll operations from two of our BOT projects. This was partially offset by a decrease in our income from sale of metals.

Our revenue from construction contracts from revenue recognized based on EPC billings to the Company's SPVs and other clients increased by 28.19% to ₹11,958.26 million in Fiscal 2012 from and ₹9,328.26 million in Fiscal 2011.

Our revenue from construction contracts also included revenue from construction services of certain SPVs of the Company provided under service concession agreements which increased by 396.34% to ₹3,668.53 million in Fiscal 2012 from ₹739.11 million in Fiscal2011.

The increase was on account of commencement of construction activities in our BOT Projects under Development namely the Mokama Munger Road Project, Chilkaluripet - Nellore Road Project, Patna Bakhtiyarpur Road Project and Muzaffarpur - Sonbarsa Road Project.

Other income

In Fiscal 2012, our other income decreased by 26.96 % from ₹ 362.70 million in Fiscal 2011 to ₹ 264.91 million in Fiscal 2012.

This decrease was primarily due to a decrease in Fiscal 2012 of our miscellaneous income and income from equipment hire charges. This decrease was partially offset by an increase in our excise duty draw backs.

Expenses

Our Expenses increased by 58.84 %, from ₹ 11,403.23 million in Fiscal 2011 to ₹ 18,112.76 million in Fiscal 2012.

Cost of raw material and components consumed

The cost of raw material and component consumed decreased by 14.45% from ₹ 4,333.07 million in Fiscal 2011 to ₹ 3,707.09 million in Fiscal 2012, primarily due to work carried out during this Fiscal being less material intensive and a larger portion of work being subcontracted.

Further, the cost of raw material and components consumed as a percentage of Total Revenue in Fiscal 2012 was 20.00 % as against 35.40 % in Fiscal 2011.

Increase/decrease in inventories of work –in- progress, real estate under development and finished goods

There was a decrease in inventories of work- in- progress and real estate under development and finished goods of ₹ 1,533.65 million in Fiscal 2012 as opposed to an increase of ₹ 1,058.45 during the corresponding period in Fiscal 2011 due to the increased recognition of revenue in relation to our Bollineni Hillside Project and a recognition of revenue from completed construction in our Construction Business subsequent to its certification by our clients resulting in a corresponding decrease in inventory.

Subcontract Expenses

Our subcontract expenses increased by 175.59 % from ₹ 1,957.10 million in Fiscal 2011 to ₹ 5,393.62 million in Fiscal 2012 due to an increase in construction activity of our Development Business where such construction activity results in subcontracting expenses in our JV SPVs, as well as due to an increase in subcontracting by our Construction Business.

Further, subcontract expenses as a percentage of Total Revenue in Fiscal 2012 was 29.11 % as against 15.99 % in Fiscal 2011.

Employee benefits expense

Our employee benefits expense increased by ₹ 194.86 million, or 14.48 %, from ₹ 1,345.83 million in Fiscal 2011 to ₹ 1,540.69 million in Fiscal 2012 due to an increase in our payroll costs pursuant to annual wage and benefit increments.

Further, employee benefits expense as a percentage of Total Revenue in Fiscal 2012 was 8.31 % as against 11.00 % in Fiscal 2011.

Other expenses

Our other expenses increased by 15.66 % from ₹ 2,635.16 million in Fiscal 2011 to ₹ 3,047.87 million in Fiscal 2012 primarily due to increase in legal and professional expenses, tender expenses, provisioning for doubtful receivables and advances, defect liability, impairment loss on fixed assets and major maintenance.

Further, other expenses as a percentage of Total Revenue in Fiscal 2012 were 16.45 % as against 21.53 % in Fiscal 2011.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 32.81%, to ₹ 861.04 million in Fiscal 2012 from ₹ 648.34 million in Fiscal 2011 primarily due to amortisation of intangible assets pertaining to our development business and the procurement of additional assets in connection with our Construction Business in Fiscal 2012.

Further, depreciation and amortisation expense as a percentage of Total Revenue in Fiscal 2012 was 4.65 % as against 5.30 % in Fiscal 2011.

Finance costs

Finance costs increased by ₹ 486.62 million, or by 31.55%, to ₹ 2,028.80 million in Fiscal 2012 from ₹ 1,542.18 million in Fiscal 2011 due to an increase in our borrowings which increased from ₹ 11,711.03 to ₹ 18,525.01 during Fiscal 2012, the interest costs incurred by our SPVs while funding their ongoing projects and an increase in the applicable interest rates. These borrowings were made primarily for the purpose of funding our BOT Projects under Development.

Further, finance costs as a percentage of Total Revenue in Fiscal 2012 were 10.95 % as opposed to 12.60 %, in Fiscal 2011.

As a result of the above, our total expenses increased by ₹ 6,709.53 million, or 58.84 %, to ₹ 18,112.76 million in Fiscal 2012 from ₹ 11,403.23 million in Fiscal 2011.

Further total expenses as a percentage of Total Revenue in Fiscal 2012 was 97.74 % as against 93.17 % in Fiscal 2011.

Restated profit before tax

For the reasons discussed above, our restated profit before tax was ₹ 418.07 million for Fiscal 2012 .

Total tax expense

Our total tax expenses decreased by ₹ 46.50 million or 15.72 %, from an expense of ₹ 295.75 million in Fiscal 2011 to ₹ 249.25 million in Fiscal 2012. This was due to an increase in deferred tax benefits.

Our total tax expenses were 59.62% of our profit before tax in Fiscal 2012 as against 35.39 % in Fiscal 2011.

Profit after tax before minority interest

For the reasons discussed above, our profit after tax before minority interest as restated for the year decreased by ₹ 371.11 million, or 68.73 %, ₹ 168.82 million in Fiscal 2012 from ₹ 539.93 million in Fiscal 2011.

Share of Minority Interest

The profit after tax before minority interest was offset by a share of loss transferred to share of minority interest of ₹ 119.51 in Fiscal 2012, which increased from Nil in Fiscal 2011.

Restated Profit for the year

For the reasons stated above, our restated profit for the year decreased by 46.60 %, to ₹ 288.33 million in Fiscal 2012 from ₹ 539.93 million in Fiscal 2011.

Fiscal 2011 compared to Fiscal 2010

Revenue from Operations

Our Revenue from Operations decreased by ₹ 2,465.34 million, or 17.19%, to ₹ 11,876.21 million in Fiscal 2011 from ₹ 14,341.55 million in Fiscal 2010 primarily due to an decrease in the revenue from construction contracts caused by reduced construction activity pursuant to near completion of our ongoing projects and delays in commencement of new projects as well a decrease in revenue from the sale of metals produced by our Company.

These were partially offset by the commencement of recognition of revenue for our Bollineni Hillside Project.

Our revenue from construction contracts arising out of revenue recognized based on EPC billings to the Company's SPVs and other clients decreased by 33.05% to ₹ 9,328.26 million in Fiscal 2011 from ₹ 13,933.61 million in Fiscal 2010 as a result of decline in our EPC activities.

Our revenue from construction contracts also includes an amount of ₹ 739.11 million in Fiscal 11 from construction services of certain SPVs of the Company provided under service concession agreements. There was no corresponding amount which was recognized in Fiscal 2010.

Other income

In Fiscal 2011, our other income increased by ₹ 30.84 million, or 9.29 %, from ₹ 331.86 million in Fiscal 2010.

Our other income increased primarily due to an increase in interest income from others, equipment hire charges and miscellaneous income. This was partially offset by decrease in income from excise duty drawback, and interest income on loans to related parties consequent to repayment of certain loans.

Other income contributed to 2.96 % and of our Total Revenue in Fiscal 2011.

Expenses

Our total expenses decreased by ₹ 1,947.88 million, or 14.59 %, in Fiscal 2011 from ₹13,351.11 million in Fiscal 2010.

Cost of raw material and components consumed

The cost of raw material and components consumed decreased by ₹ 2,561.48 million, or 37.15%, in Fiscal 2011 from ₹ 6,894.55 million in Fiscal 2010 primarily due to reduced construction activity.

Further, the cost of raw material and components consumed as a percentage of Total Revenue in Fiscal 2011 was 35.40 % as against 46.99 % in Fiscal 2010.

Increase/decrease in inventories of work –in- progress and real estate under development and finished goods

Our inventories work- in- progress and real estate under development and finished goods increased to ₹ 1,058.45 million in Fiscal 2011 as opposed to a corresponding higher increase of ₹ 1,443.41 million in Fiscal 2010. This underlying increase was due to completed construction pending certification by our clients in our Construction Business which resulted in an accumulation of inventory. The level of increase was partially offset by a decrease in inventory pursuant to the recognition of revenue on a percentage completion basis from inventory relating to our Bollineni Hillside Project.

Subcontract Expenses

Our subcontract expenses were ₹ 1,957.10 million in Fiscal 2011 as opposed to ₹ 1,707.28 million in Fiscal 2010. Our Subcontract expenses in Fiscal 2011 included expenses of ₹ 361.18 million on account of proportionate consolidation of subcontract expenses of our JV SPVs.

If the above amount were not considered, our subcontract expenses in Fiscal 2011 decreased by ₹ 111.36 million as opposed to ₹ 1,707.28 million from Fiscal 2010. This occurred primarily due to a reduction in subcontracting by our Construction Business pursuant to a reduction in construction volumes.

Subcontract expenses as a percentage of Total Revenue in Fiscal 2011 were 15.99% as against 11.64% in Fiscal 2010.

Employee benefits expense

Our Employee benefits expense decreased by ₹ 7.58 million, or 0.56%, in Fiscal 2011 from ₹ 1,353.41 million in Fiscal 2010 benefits expense and decrease in the payroll costs in view of reduced construction activity and reduced headcount.

However, as a percentage of Total Revenue, the employee benefit expense in Fiscal 2011 increased to 11.00%, in Fiscal 2011 from 9.22% in Fiscal 2010.

Other expenses

Other expenses decreased by ₹ 477.62 million, or 15.34%, from ₹ 3,112.78 million in Fiscal 2010 to ₹ 2,635.16 million in Fiscal 2011 primarily due to a reduction in power and fuel consumed which was caused by a reduction in our construction activity.

Further, other expenses as a percentage of Total Revenue in Fiscal 2011 were 21.53% as against 21.21% in Fiscal 2010.

Depreciation and amortization expense

Depreciation and amortisation expense increased by ₹ 25.55 million or by 4.10 %, from ₹ 622.79 million in Fiscal 2010 to ₹ 648.34 million in Fiscal 2011 due to additional assets being purchased in connection with our business.

Further, depreciation and amortisation expense as a percentage of Total Revenue in Fiscal 2011 was 5.30 % as against 4.24 % in Fiscal 2010.

Finance costs

Our finance costs were ₹ 1,542.18 million in Fiscal 2011 as opposed to ₹ 1,103.71 million in Fiscal 2010. Our finance costs in Fiscal 2011 included an amount of ₹ 331.17 million on account of consolidation of finance costs incurred during construction by our BOT SPVs.

If the above amount were not considered, our finance costs in Fiscal 2011 increased by ₹ 107.30 million in Fiscal 2011 as opposed to ₹ 313.92 million in Fiscal 2010. This occurred primarily due to an increase in our outstanding borrowings and applicable interest rates.

As a result of the above, total expenses decreased by ₹ 1,947.88 million, or 14.59 %, from ₹ 13,351.11 million in Fiscal 2010 to ₹ 11,403.23 million in Fiscal 2011.

Further, total expenses as a percentage of Total Revenue in Fiscal 2011 were 93.17% as against 90.99% in Fiscal 2010.

Restated profit before tax

For the reasons discussed above, our restated profit before tax was ₹ 1,322.30 million and ₹ 835.68 million in Fiscal 2010 and 2011, respectively.

Tax Expense

Our tax expense decreased by ₹ 219.68 million, or 42.62 %, from an expense of ₹ 515.43 million in Fiscal 2010 to ₹ 295.75 million in Fiscal 2011. This was due to a decrease in deferred tax expenses due to reversals and decrease in our provisions for current tax from ₹429.45 to ₹ 316.20.

Further our total tax expense was 35.39 % of our profit before tax in Fiscal 2011 as against 38.98 % in Fiscal 2010.

Restated Profit for the year

For the reasons discussed above, our restated profit for the year was ₹ 539.93 million and ₹ 806.87 million in Fiscal 2011 and 2010, respectively.

Fiscal 2010 compared to Fiscal 2009

Revenue from Operations

Revenue from operations increased by ₹ 4,224.62 million, or 41.76 %, from ₹ 10,116.93 million in Fiscal 2009 to ₹ 14,341.55 million in Fiscal 2010, primarily due to an increase in revenue from construction contracts. This was partially offset by a decrease in revenue from sale of metals produced by the Company.

Our revenue from construction contracts arising out of revenue recognized based on EPC billings to the Company's SPVs and other clients increased by 45.72% to ₹ 13,933.61 million in Fiscal 2010 from ₹ 9,562.09 million in Fiscal 2009.

Other income

In Fiscal 2010, our other income marginally decreased by ₹ 13.35 million or 3.87 % from ₹ 345.21 million in Fiscal 2009 to ₹ 331.86 million in Fiscal 2010.

This was primarily due to an increase in income from Excise Duty Drawbacks and Interest Income on Others which was partially offset by a decrease in Equipment Hire Charges and Interest Income on Bank Deposits.

Expenses

Our total expenses increased by ₹ 3,512.03 million, or 35.69 %, in Fiscal 2010 from ₹ 9,839.08 million in Fiscal 2009.

Cost of raw material and components consumed

The cost of raw material and components consumed is increased by ₹ 2,683.24 million, or 63.72 %, from ₹ 4,211.31 million in Fiscal 2009 to ₹ 6,894.55 million in Fiscal 2010, primarily due to an increase in construction activity and an increase in the work executed in-house as opposed to work which was subcontracted out.

Further, the cost of raw material and components consumed as a percentage of Total Revenue in Fiscal 2010 was 46.99% as against 40.25 % in Fiscal 2009 due to the nature of work executed during Fiscal 2010 being more material intensive.

Increase/decrease in inventories of work-in-progress, real estate under development and finished goods.

Increase in inventories was lower by ₹ 120.91 million, or 7.73 %, from ₹ 1,564.32 million in Fiscal 2009 to ₹ 1,443.41 million in Fiscal 2010, primarily due to lower work- in- progress for our construction business which was partially off-set by an increase in real estate under development which consisted of construction in our Bollineni Hillside Project. The increase in inventory on account of real estate under development was ₹ 774.34 million in Fiscal 2010 as against ₹ 744.63 million in Fiscal 2009.

Subcontract expense

Subcontract expenses decreased by ₹ 607.84 million, or 26.26 %, from ₹ 2,315.12 million in Fiscal 2009 to ₹ 1,707.28 million in Fiscal 2010 primarily due to an increase in the work executed in-house as opposed to work which was subcontracted out.

Further, Subcontract expense as a percentage of Total Revenue in Fiscal 2010 was 11.64 % as against 22.13 % in Fiscal 2009

Employee benefits expense

Employee benefits expenses increased by ₹ 307.93 million, or 29.45 %, from ₹ 1,045.48 million in Fiscal 2009 to ₹ 1,353.41 million in Fiscal 2010 partly due to increase in the wage rates and partly due to increase in construction activity.

Further, employee benefits expenses as a percentage of Total Revenue in Fiscal 2010 was 9.22 % as against 9.99 % in Fiscal 2009.

Other expenses

Other expenses increased by ₹ 530.19 million, or 20.53%, from ₹ 2,582.59 million in Fiscal 2009 to ₹ 3,112.78 million in Fiscal 2010 primarily due to increase in power and fuel rates, taxes, legal and professional charges.

Further, other expenses as a percentage of Total Revenue in Fiscal 2010 were 21.21 % as against 24.69 % in Fiscal 2009.

Depreciation and amortization expense

Depreciation and amortisation expense increased by ₹ 163.68 million, or 35.65 %, from ₹ 459.11 million in Fiscal 2009 to ₹ 622.79 million in Fiscal 2010 due to an increase in fixed assets. Further, depreciation and amortization expense as a percentage of Total Revenue in Fiscal 2010 was 4.24 % as against 4.39 % in Fiscal 2009.

Finance Costs

Finance costs increased by ₹ 313.92 million, or 39.75 %, from ₹ 789.79 million in Fiscal 2009 to ₹ 1,103.71 million in Fiscal 2010 primarily due to increase in borrowing for the purposes of our real estate projects and for funding working capital requirements and increase in trade financing costs. Further, finance costs as a percentage of Total Revenue in Fiscal 2010 was 7.52 % as against 7.55 % in Fiscal 2009.

As a result of the above, total expenses increased by ₹ 3,512.03 million, or 35.69 %, from ₹ 9,839.08 million in Fiscal 2009 to ₹ 13,351.11 million in Fiscal 2010.

Further, total expenses as percentage of Total Revenue in Fiscal 2010 was 90.99 % against 94.04 % in Fiscal 2009.

Restated profit before tax

For the reasons discussed above, our restated profit before tax was ₹ 1,322.30 million and ₹ 623.06 million in Fiscal 2010 and 2009, respectively.

Tax expenses

Tax expenses increased by ₹ 258.14 million, or 100.33 %, from an expense of ₹ 257.29 million in Fiscal 2009 to ₹ 515.43 million in Fiscal 2010. Further tax expenses was 38.98 % on restated profit before tax in Fiscal 2010 as against 41.29 % in Fiscal 2009.

Restated Profit for the year

For the reasons discussed above, our restated profit after tax for the year was ₹ 366.26 million and ₹ 806.87 million in Fiscal 2009 and 2010, respectively.

Emphasis of Matter

"i. Report of the auditors for the six months ended September 30, 2012 included the following emphasis of matter:

We draw attention to Note 31(a) of Notes to the consolidated financial statements for the six months ended September 30, 2012 regarding claims amounting to Rs. 2,384.52 million outstanding as at September 30, 2012 including a sum of Rs. 75.03 million recognized as income during the current six months based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements. Our opinion is not qualified in respect of this matter.

Text of note 31(a) to the Notes of the audited consolidated financial statements for the six months ended September 30, 2012

In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,384.52 million (March 31, 2012: Rs. 2,309.49 million) including a sum of Rs. 75.03 million (Claims accounted amounting to Rs. Nil and interest on claims amounting to Rs. 75.03 million) recognized as income during the current period. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

ii. Report of the auditors for the year ended March 31, 2012 included the following emphasis of matter:

Without qualifying our opinion, we draw attention to Note 31(a) of Notes to the consolidated financial statements for the year ended March 31, 2012 regarding claims amounting to Rs. 2,309.49 Million (March 31, 2011: Rs. 2,599.14 Million) outstanding as at March 31, 2012 including a sum of Rs. 196.21 Million (March 31, 2011: Rs. 941.46 Million) recognized as income during the current year based on the terms and conditions implicit in the respective construction contract. The claims being technical in nature and subject to judicial process, the Company has assessed the recoverability of these claims based on orders of dispute resolution board/arbitration tribunal and legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full and accordingly no adjustments have been made in these consolidated financial statements.

Text of note 31(a) to the Notes of the Audited consolidated financial statements for the year ended March 31, 2012

"In respect of the road projects executed by the Company in earlier years, the Company has recognized Claims aggregating to Rs. 2,309.49 Million (March 31, 2011: Rs. 2,599.14) including a sum of Rs. 196.21 Million (Claims accounted amounting to Rs. 51.73 Million and interest on claims amounting to Rs. 144.48 Million) [March 31, 2011: Rs. 941.46 Million (Claims amounting to Rs. 789.73 Million, interest on claims amounting to Rs. 126.39 Million and prior period interest amounting to Rs. 25.34 Million)] recognized as income during the current year. The Company has preferred such claims based on the terms and conditions implicit in the respective construction contracts. Since the claims are technical in nature and subject to judicial process, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. The Company has been legally advised that amounts are good of recovery. On the basis of such legal opinion and internal assessment, the management is of the view that the claims are tenable and there exist no uncertainty as to ultimate collection. Pending outcome of the judicial process, the above amounts are being carried as recoverable."

"iii. Report of the auditors for the year ended March 31, 2011 included the following emphasis of matter:

a. Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 2,857.89 million (31 March 2010: Rs. 1,716.38 million) outstanding as at 31 March 2011, including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 7 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

Sundry debtors and Loans and advances as at 31 March 2011 include certain claims aggregating to Rs. 2,599.14 million (31 March 2010: Rs. 1,716.38 million) and Rs. 258.75 million respectively (31 March 2010: Nil) including a sum of Rs. 941.46 million (31 March 2010: Rs. 787.69 million) recognized as income during the current year. The Group has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection.

b. Without qualifying our opinion, we draw attention to Note 14 on Schedule 23 to the consolidated financial statements, regarding management's assessment of carrying value of real estate under development aggregating to Rs. 548.82 million in a project. On the basis of such assessment, management is of the opinion that the realizable value of such inventory is expected to be higher than the current carrying value. Accordingly no adjustments have been made in these consolidated financial statements."

"Text of note 14 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

"As at 31 March 2011 the Group has invested amounts aggregating to Rs. 548.82 million (31 March 2010: Rs. 497.10 million) towards development of a residential apartment in Dubai. The construction activities have been temporarily suspended due to current market conditions. Based on an independent evaluation of current economic and market conditions, the management believes that there are convincing evidences of overall improvement in the market and realization thereof. Further, the Company is committed to provide continued support to complete the project and recover its investment."

c. Without qualifying our opinion, we draw attention to Note 15 on Schedule 23 to the consolidated financial statements regarding duty drawback claims amounting to Rs. 155.51 million outstanding as at 31 March 2011, including a sum of Rs. 10.23 million recognized as income during the current year. The Group has assessed the recoverability of these claims based on a legal opinion from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and would be realized in full. Accordingly no adjustments have been made in these consolidated financial statements.

Text of note 15 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2011:

"Loans and advances as at 31 March 2011 include certain duty drawback claims aggregating to Rs. 155.51 million (31 March 2010: Rs. 210.83 million) including a sum of Rs. 10.23 million (31 March 2010: Rs. 130.89 million) recognised as income during the current year. Such claims represent refunds of excise duty paid on purchase of inputs for certain projects which are funded by notified institutions under the Central Excise Act, 1944. During the year, the Group has received a correspondence from the department of central excise and customs clarifying that certain input materials do not qualify for refund of excise duty under the duty draw back scheme. The Group, based on past experience and opinion of an independent legal counsel, is confident of realizing the claims outstanding as on 31 March 2011."

iv. **Report of the auditors for the year ended March 31, 2010 included the following qualification:**

The accompanying consolidated financial statements as at and for the year ended 31 March 2010 include the unaudited financial statements of BSCPL International FZE whose un-audited financial statements reflect aggregate total assets of Rs. 635.15 million as at 31 March 2010 and aggregate total revenue of Rs. 117.41 million and net cash outflows amounting to Rs. 23.25 million for the year then ended. The accompanying consolidated financial statements do not include adjustments, if any that may be required had the financial statements of the aforesaid subsidiary been audited.

v. **Report of the auditors for the year ended March 31, 2010 included the following emphasis of matter:**

Without qualifying our opinion, we draw attention to Note 7 on Schedule 23 to the consolidated financial statements regarding claims amounting to Rs. 1,716.38 million outstanding as at 31 March 2010, including a sum of Rs. 787.69 million recognized as income during the current year based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration/dispute, the Group has assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, the management is of the opinion that the claims are tenable and would be realized.

Accordingly no adjustments have been made in these Consolidated Financial Statements.

Text of note 7 on Schedule 23 of the audited consolidated financial statements for the year ended March 31, 2010:

"Sundry debtors as at 31 March 2010 include certain claims aggregating to Rs. 1,716.38 million (previous year: Rs. 928.68 million) including a sum of Rs. 787.69 million recognised as income during the current year. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, the Company has obtained a legal opinion on the recoverability of such claims from an independent counsel. On the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

vi. **Report of the auditors for the year ended March 31, 2009 included the following emphasis of matter:**

Without qualifying our opinion, we draw attention to Note 8 on Schedule 24 regarding claims recognized by the Company for an amount aggregating to Rs. 360.82 million based on the terms and conditions implicit in the contract. The claims being technical in nature and being subject matter of arbitration/dispute, the Company as assessed the recoverability of these claims based on arbitration orders received and a legal opinion that the claims are tenable and would be tenable and would be realized. Accordingly no adjustments have been made in these Consolidated Financial Statements in this regard.

Text of note 8 on Schedule 24 of the audited consolidated financial statements for the year ended March 31, 2009:

"Sundry debtors and works in progress as at 31 March 2009 include certain claims aggregating to Rs. 360.82 million (2008: Rs. 234.59 million), recognized in the earlier years. The Company has preferred such claim based on the terms and conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, to the Company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

vii. **Report of the auditors for the year ended March 31, 2008 included the following emphasis of matter:**

Without qualifying our opinion, we draw attention to Note no. 8 on Schedule 22 regarding certain claims recognized by the Company for an amount aggregating to Rs. 182.79 million based on the terms and conditions implicit in the respective contract. The claims being technical in nature and being the subject matter of arbitrations/dispute, the Company has, assessed the recoverability of these claims based on arbitration orders received and a legal opinion from an independent counsel. On the basis of such assessment, Management is of the opinion that the claims are tenable and the entire amounts recorded as income would be realized.

Text of note 8 on Schedule 22 of the audited consolidated financial statements for the year ended March 31, 2008:

"Sundry debtors of parent company as at 31 March 2008 include certain claims aggregating to Rs. 182.79 million (31 March 2007 – Rs. 845.52 million), recognized in the earlier years. The Company has preferred such claim based on the terms & conditions implicit in the respective contract and lodged with concerned authorities, which is pending settlement. Since the claims being technical in nature and are the subject matter of arbitration/dispute, to the company has obtained legal opinion on the recoverability of such claims from an independent Counsel on the basis of such assessment, management is of the opinion that the claims are tenable and there exist no uncertainty as to ultimate collection."

Cash flow statement

The following table sets forth certain information relating to our cash flows for the periods indicated:

(₹in million)

Cash flows	For the six months ended September 30, 2012	For the year ended March 31,				
		2012	2011	2010	2009	2008
Net cash from operating activities	2,085.18	3,318.03	1,061.18	705.61	412.08	219.24
Net cash used in investing activities	(6,370.48)	(8,327.64)	(1,709.55)	(2,739.32)	(2,543.15)	(2,282.65)
Net cash from financing activities	3,530.54	5,075.02	1,039.72	1,758.86	2,465.58	2,418.72
Foreign currency translation adjustments	(0.14)	18.33	0.08	(9.50)	(3.54)	-
Cash and Cash Equivalents	347.10	1,101.99	1,018.25	626.82	911.18	580.21

Operating activities

Net cash generated from operating activities was ₹ 3,318.03 million for Fiscal 2012, and consisted of profit before tax of ₹ 418.07 million, as adjusted for interest expense of ₹ 1,757.23 million and a number of non-cash items, primarily, depreciation and amortisation of ₹ 861.04 million and working capital adjustments pursuant to changes in inventories, trade receiveables, current liabilities, provisions and loans and advances, current assets, and trade payables.

Net cash generated from operating activities was ₹ 1,061.18 million for Fiscal 2011, and consisted of profit before tax of ₹ 835.68 million, as adjusted for interest expense of ₹ 1,323.57 million and a number of non-cash items, primarily, depreciation and amortisation of ₹ 648.34 million and working capital adjustments pursuant to changes in inventories, trade receiveables, current liabilities, provisions and loans and advances, current assets, and trade payables.

Net cash generated from operating activities was ₹ 705.61 million for Fiscal 2010, and consisted of profit before tax of ₹ 1,322.30 million, as adjusted for interest expense of ₹ 913.73 million and number of non-cash items, primarily, depreciation and amortisation of ₹ 622.79 million and working capital adjustments pursuant to changes in inventories, trade receiveables, current liabilities, provisions and loans and advances, current assets, and trade payables.

Net cash generated from operating activities was ₹ 412.08 million for Fiscal 2009, and consisted of profit before tax of ₹ 623.06 million, as adjusted for interest expense of ₹ 645.80 million and and number of non-cash items, primarily, depreciation and amortization of ₹ 459.11 million and working capital adjustments pursuant to changes inventories, trade receiveables, current liabilities, provisions and loans and advances, current assets, and trade payables.

Investing Activities

Net cash used in investing activities was ₹ 8,327.64 million for Fiscal 2012, primarily as a result of additions to fixed assets of ₹ 7,981.70 million, movements in fixed deposits of ₹ 28.69 million and net loans and advances to related parties of ₹ 418.74 million which were partially offset by the proceeds from sale of fixed assets and interest received.

Net cash used in investing activities was ₹ 1,709.55 million for Fiscal 2011, primarily as a result of additions to fixed assets of ₹ 2,308.16 million which was offset by net withdrawals in fixed deposits of ₹ 5.71 million, net proceeds from loans and advances to related parties of ₹ 346.28 million, proceeds from sale of fixed assets and interest received.

Net cash used in investing activities was ₹ 2,739.32 million for Fiscal 2010, primarily as a result of additions to fixed assets of ₹ 2,468.75 million and net loans and advances to related parties of ₹ 408.48 million which was offset by withdrawals from Fixed Deposits of ₹ 47.37 million, proceeds from sale of fixed assets and interest received.

Net cash used in investing activities was ₹ 2,543.15 million for Fiscal 2009, primarily as a result of additions to fixed assets of ₹ 2,861.10 million, net loans and advances to related parties of ₹ 117.48 million and purchase of non current investments of ₹ 30.00 million which was offset by net withdrawals from Fixed Deposits of ₹ 54.14 million, proceeds from sale of fixed assets and interest received.

Financing Activities

Net cash generated from financing activities was ₹ 5,075.02 million for Fiscal 2012, primarily due to proceeds from long term borrowings of ₹ 7,534.48 million and net proceeds from short term borrowings of ₹ 404.77 million which was partially offset by repayment of long term borrowings of ₹ 1,125.27 million and interest payments of ₹ 1,738.96 million.

Net cash generated from financing activities was ₹ 1039.72 million for Fiscal 2011, primarily due to proceeds from long term borrowings of ₹ 4,588.77 million and a contribution by a minority shareholder of ₹ 37.88 million which was partially offset by repayment of long term borrowings of ₹ 2,021.70 million, net repayment of short term borrowings of ₹ 252.83 million and interest payments of ₹ 1,312.40 million.

Net cash generated from financing activities was ₹ 1,758.86 million for Fiscal 2010, primarily due to proceeds from long term borrowings of ₹ 3,243.71 million, net proceeds from short term borrowings of ₹ 2,456.05 million and a contribution by a minority shareholder of ₹ 148.63 million which was partially offset by repayment of long term borrowings of ₹ 3,169.55 million, and interest payments of ₹ 919.98 million.

Net cash generated from financing activities was ₹ 2,465.58 million for Fiscal 2009, primarily due to proceeds from long term borrowings of ₹ 3,164.61 million, net proceeds from short term borrowings of ₹ 540.76 million and a contribution by a minority shareholder of ₹ 152.28 million which was partially offset by repayment of long term borrowings of ₹ 802.67 million, and interest payments of ₹ 589.40 million.

Total Borrowings

As of September 30, 2012, our total secured and unsecured borrowings on a consolidated basis amounted to ₹ 23,335.80 million. All of our debt facilities are subject to variable interest rates or variation with reference interest rates.

We maintain debt levels that we establish through the consideration of a number of factors, including requirements for working capital support, cash flow expectations, cash requirements for operations and our overall cost of capital.

See the section "***Financial Indebtedness***" on page 274 and Annexures XIII and XIV of our Restated Financial Statements in section titled "***Financial Statements***" on page 240 for additional information about our borrowings.

Capital Expenditure

Planned Capital Expenditure

Our capital expenditure plans are based on management estimates and are subject to a number of variables, including availability of financing on acceptable terms, desirability of current plans and macroeconomic factors such as the economy or factors affecting our industry. Our cash out flows for addition to fixed assets for Fiscal 2012 was ₹ 7,981.70 million, Fiscal 2011 was ₹ 2,308.16 million, Fiscal 2010 was ₹ 2,468.75 million, and Fiscal 2009 was ₹ 2,861.10 million.

Capital Commitments

Our capital commitments for Fiscal 2012, 2011, 2010 and 2009 are as follows:

(₹ in million)

Particulars	As at March 31,				
	2012	2011	2010	2009	2008
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	83.22	32.04	32.54	83.27	3,033.17
(b) Estimated amount of contracts in joint ventures remaining to be executed on capital account	8,746.15	4,833.57	-	-	-

Certain Balance Sheet Items as restated

Net Worth

Our Net Worth for March 31, 2012, 2011, 2010 and 2009 is ₹ 6,836.57 million, ₹ 6,529.91 million, ₹ 5,989.90 million, and ₹ 5,192.53 million respectively.

Contingent Liabilities and Off Balance Sheet Arrangements

As of September 30, 2012 and Fiscal 2012, we had the following Contingent Liabilities, (disclosure pursuant to Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets.") in section titlted "***Financial Statements***" on page 240.

Particulars	As at September 30, 2012	As at March 31, 2012
(a) Claims against the Group not acknowledged as debts on account of joint ventures	322.35	322.88
(b) Claims against the Group not acknowledged as debts	473.41	473.41
(c) Uncalled liability on partly paid up shares	10.00	10.00
(d) Income tax demand arising from disputes not acknowledged as debts	-	-
(e) Entry tax demands arising from disputes not acknowledged as debts	356.75	356.75
(f) Income tax demands of Joint Venture not acknowledged as debts to the extent of our share	114.30	99.43
(g) Sales tax demand arising from disputes not acknowledged as debts	86.93	86.93
(h) Service tax demand arising from disputes not acknowledged as debts	136.25	136.25
(i) Duty Drawback claims arising from disputes not acknowledged as	35.12	35.12

Particulars	As at September 30, 2012	As at March 31, 2012
debts		
(j) Guarantees issued by bankers	10,624.08	10,147.14

For further information, see section titled *"**Financial Statements – Consolidated Restated Financial Statements - Annexure IV**"* on page 240.

Besides Contingent Liabilities, we do not have any off-balance sheet arrangements that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We have entered into and expect to enter into transactions with a number of related parties, including our Promoters. For further information regarding our related party transactions, see "***Related Party Transactions***" at Annexure IV of our Restated Financial Statements in section titled "***Financial Statements***" on page 240.

Qualitative Disclosure about Market Risks

Commodity Price Risk

We are exposed to market risk with respect to materials and components used in our projects. These commodities include steel and cement. The costs for these raw materials and components fluctuate based on commodity prices. The costs of components sourced from outside manufacturers may also fluctuate based on their availability from suppliers.

Interest Rate Risk

Interest rate risk arises when we are exposed to changes in the fair value of our interest rate sensitive financial instruments and borrowings which arise from changes in market interest rates. Our exposure to changes in interest rates is not material to our financial position or results of operations. We do not currently use any derivative instruments to modify the nature of our exposure to floating rate indebtedness or our deposits so as to manage interest rate risk.

Foreign Currency Risk

Our future capital expenditures, including equipment and machinery, may be in currencies other than Indian Rupees. We have not historically hedged our foreign currency exposure and we have no current plans to do so. Therefore, declines in the value of the Rupee against such other currencies would increase the Rupee cost of making such purchases. Additionally, a small portion of our borrowings are foreign currency-denominated, and we have entered into derivatives transactions to hedge against a portion of the foreign currency risk relating to such debt.

Inflation

Although India has experienced fluctuation in inflation rates in recent years, inflation has not had a material impact on our business or results of operation. An increase in inflation rates may however, adversely affect growth in the Indian economy.

Known Trends or Uncertainties

Other than as described in this Draft Red Herring Prospectus, particularly in the sections "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 22 and 241 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.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no events or transactions that may be described as “unusual” or “infrequent”.

Future Relationship between Costs and Income

Other than as described in the sections “***Risk Factors***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” on pages 22 and 241 respectively, to our knowledge, there are no known factors which will have a material adverse impact on our operations and finances.

Competitive Conditions

We expect competition in the Infrastructure markets from existing and potential competitors to intensify. For further details regarding our competitive conditions and our competitors, see the sections “***Risk Factors***” and “***Our Business***” on pages 22 and 147, respectively.

Significant economic changes

Our business is substantially dependent on road projects in India undertaken or awarded by government authorities and other entities funded by governments. Any change in government policies resulting in a decrease in the amount of road and bridge projects undertaken or a decrease in private sector participation in road and bridge projects may adversely affect our business and results of operations. For further details, see section titled *“**Industry**”* on page 126.

Seasonality

Seasonal variations may adversely affect our businesses. For example, severe weather may require us to evacuate personnel or curtail services, may result in damage to a portion of our equipment or facilities resulting in the suspension of operations, and may prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity.

Significant Dependence on a Single or Few Customers

Our business is significantly dependent on various Government entities in India in which we have operations and could be materially and adversely affected if there are adverse changes in such policies. For further details see section titled *“**Risk Factors**”* on page 22.

Significant Developments after September 30, 2012

There have been no siginificant developments other than in the ordinary course of business.

FINANCIAL INDEBTEDNESS

The borrowings of our Company as of December 31, 2012 are as follows:

(₹ in millions)

S. No.	Nature of Borrowing	Amount
1.	Secured Borrowings	9,263.88
2.	Unsecured Borrowings	Nil

The borrowings of our unincorporated joint ventures as of December 31, 2012 are as follows:

(₹ in million)

S. No.	Nature of Borrowing	Amount
1.	Secured Borrowings	616.78
2.	Unsecured Borrowings	Nil

Secured Borrowings:

1. Loan availed from State Bank of Hyderabad ("SBH"), State Bank of India ("SBI"), IDBI Bank Limited ("IDBI"), Andhra Bank ("AB"), Axis Bank Limited ("Axis Bank"), Bank of India ("BOI"), Allahabad Bank, Vijaya Bank ("VB"), Standard Chartered Bank ("SCB"), ICICI Bank Limited ("ICICI") and Yes Bank Limited ("YBL").

Working capital consortium agreement dated August 8, 2011 and sanction letters dated March 20, 2012 (SBH), dated March 7, 2012 (SBI), dated September 11, 2012 (AB), dated August 2, 2012 (Axis Bank), dated August 8, 2012 (BOI), dated July 7, 2011 (Allahabad Bank), dated November 30, 2012 (VB), dated April 9, 2012 (SCB), dated January 3, 2012 (ICICI Bank), dated May 9, 2011 (YBL),dated January 8, 2013 (IDBI), inter se agreement dated August 8, 2011, joint deed of hypothecation dated August 8, 2011 and memoranda of deposit of title deeds for extension of mortgage dated August 8, 2011.

Purpose of the facilities: The loan facilities have been granted for the purpose of meeting the working capital needs of the Company/ of the Company's division at various sites in all states in India, Afghanistan and Dubai (wherever worksites are there) in addition to/in replacement of the existing facilities and replacement of certain other facilities.

(₹ in million)

S. No	Lender	Facility	Amount Outstanding as of December 31, 2012	Interest Rate**	Repayment Schedule/ Tenor	Security
1.	SBH	Fund Based ("**FB**"): Working capital facilities of ₹ 850.00 million with a sublimit of ₹750.00 million as working capital demand loan ("**WCDL**") Non Fund Based ("**NFB**"): Bank guarantees ("**BG**") of ₹ 4,750.00 million and Letters of credit ("**LC**") facilities of ₹ 250.00 million	758.33	Interest payable on Cash Credit ("**CC**") is 550 basis points above SBH base rate. For WCDL, rate of interest shall be quoted at market related rates for tranches of 90/180 days. For BG,	**CC:** Payable on demand. **WCDL:** Payable on demand. **LC:** Usance period for LC is 180 days from the date of sanction. **BG:** Period of BG is six years with effect from the date of the current sanction	**<u>Primary Security</u>**: First pari passu charge on all current assets and moveable assets of the Company, both present and future and ranking pari passu basis with member banks of the consortium;

S. No	Lender	Facility	Amount Outstanding as of December 31, 2012	Interest Rate**	Repayment Schedule/ Tenor	Security
				commission payable is 0.60% p.a. (exclusive of service tax). For LC, commission is payable as per banks/Foreign Exchange Dealers Association of India's rates.	and period of sanction is 12 months.	**Collateral Security**: (a) Equitable mortgage of seven immovable properties valued at ₹ 894.4 million on pari passu basis with all the member of consortium; and (b) pari passu first charge on unencumbered fixed assets of the Company along with other members of consortium. (c) All collaterals including personal guarantees available for cash credit limits will also be extended to the BG and also to the LC limits on pari passu basis with other consortium members. (d) First charge over current assets of the Company including its shares in the current assets of the JVs. **Guarantees** Corporate Guarantee of Chebrolu Hanumaiah & Brothers Private Limited.
2.	SBI	**FB**: CC facility of ₹ 800 million with WCDL of ₹ 800.00 million as sublimit to the CC limit **NFB**: BG of ₹ 2,000.00 million, with forward contract limit of ₹ 50.00 million (as sublimit of NFB limits)	₹794.35	Interest payable on CC is 550 basis points above base rate. For BG, commission payable is 0.50% plus applicable taxes.	**CC/WCDL:** Payable on demand/ renewable every twelve months. **BG**: Period of sanction is 12 (twelve) months.	
3.	IDBI	**FB**: CC facility of ₹ 850.00 million with a WCDL of ₹ 450.00 million (as inner limit to the CC limit) **NFB**: BG of ₹ 2,820.00 million and LC of ₹ 440.00 million (as a sublimit to the BG)	₹ 704.37	Interest payable on CC is 350 basis points above IDBI base rate. Interest payable on the WCDL is as decided on the date of the drawdown. For BG and LC, the commission payable is 0.75% p.a.	**CC/WCDL**: Repayable on demand. For WCDL, tenure of each loan shall not exceed 90 days to 12 months. Repayment of BG is on the return of the original guarantee on or before the date of its expiry. **LC:** Usance period for LC is 180 days.	
4.	AB	**FB**: CC facility of ₹ 700.00 million **NFB**: BG facility of ₹ 1,900.00 million with ILC/FLC limit of ₹	₹519.22	Interest payable on CC is 400 basis points above base rate. For BG and ILC, commission	**CC:** Payable on demand. **LC:** Usance period for LC is 180 days.	

S. No	Lender	Facility	Amount Outstanding as of December 31, 2012	Interest Rate**	Repayment Schedule/ Tenor	Security
		380.00 million (as sublimit under the BG limit) and ILC facility of ₹ 100.00 million		payable is 0.60% p.a.		Personal guarantees of Bollineni Seenaiah, Bollineni Krishnaiah, Bollineni Yamuna, Bollineni Sujatha, Dandamundi Anitha and T. Dayakar for loans availed from SBH, IDBI, ICICI, AB, Axis Bank, BOI, Allahabad Bank, Vijaya Bank and SCB. In addition to the above, goods purchased under the LC are also provided as security. Further, for all of the consortium members, our Company has given counter guarantee in relation to the bank guarantee facilities.
5.	Axis Bank	**FB**: Cash Credit facility of ₹ 600.00 million with purchase bills discounting of ₹ 200.00 million (as a sublimit to the CC limit) **NFB**: BG facility of ₹ 1,350.00 million with LC of ₹ 200.00 million and LER of ₹ 50.00 million, as sublimit to the BG limit and LC facility of ₹ 200.00 million	618.39	Interest payable on CC is 250 basis points above base rate. Interest payable on purchase bills discounting is 225 basis points above base rate. For BG, the commission payable is 0.50% p.a. plus taxes and for LC, the commission applicable is 1.00% p.a. inclusive of all taxes.	**CC:** Payable on demand. Purchase bills discounting is repayable as a bullet payment at the end of the tenor, which is at a maximum of six months. **LC:** Usance period of LC is 180 days. **BG:** Usance period of BG is a maximum of 72 months inclusive of claim on finance and performance BG.	
6	BOI	**FB**: CC facility of ₹ 340.00 million with a WCDL of ₹ 340.00 million as sublimit to the CC limit. **NFB**: BG facility of ₹ 1,700.00 million and LC of ₹ 150.00 million as a sublimit to the BG facility.	342.41	Interest payable on CC is 350 basis points above base rate. Interest of WCDL to be decided at the time of availment. For BG, commission payable is 0.50% p.a. plus service tax. For LC, commission payable is 1.00% p.a. plus service tax.	**CC**: Repayable on demand. **WCDL:** Repayable within 90 days from the date of availment. **LC:** Usance period of LC is 180 days. **BG/LG:** Repayable on demand.	
7.	Allahabad Bank	**FB**: CC facility of ₹ 630.00 million with a short	₹11.94	Interest payable on CC is 525 basis	**CC/WCDL:** Working capital limits repayable	

S. No	Lender	Facility	Amount Outstanding as of December 31, 2012	Interest Rate**	Repayment Schedule/ Tenor	Security
		term loan facility of ₹ 375.00 million **NFB**: BG facility of ₹ 850.00 million		points above base rate. For BG, commission payable is 0.60% p.a. for both performance and financial guarantees.	on demand. **BG:** The maximum period of tenor is 72 months.	
8.	SCB	**FB**: Overdraft facility or CC facility of ₹ 600.00 million with a sublimit of (i)WCDL or short term loans amounting to ₹ 600.00 million or (ii) discounting for purchase invoices of ₹ 600.00 million **NFB:** BG facility of ₹ 500.00 million	₹ 555.95	At the rate negotiated with and agreed by the lender. For BG, commission payable is as determined by the banks and the borrower.	**CC/WCDL:** Repayable on demand. The tenure of the sublimit is 180 days and for sublimit as discounting for purchase invoice, the tenure is 120 days. The tenure/maturity for BG is up to a maximum of 36 months.	
9.	ICICI	**FB:** CC of ₹ 500.00 million with WCDL of ₹500.00 million as sublimit to CC, buyers credit of ₹ 250.00 million as sublimit to LC and bills purchased/discounted of ₹ 200.00 million as sublimit to LC. **NFB:** Performance guarantee facility of ₹ 1,780.00 million with two sublimits (i) LC of ₹ 250.00 million with buyers credit of ₹ 250.00 million as sublimit of LC and (ii) financial guarantee of ₹ 300.00 million as sublimit of performance guarantee.	₹ 532.98	Interest payable on CC is 325 basis points above base rate. Interest payable on WCDL is 300 basis points above base rate. For BG, the commission payable is 0.55% p.a. for financial guarantee and 0.50% p.a. for performance guarantee.	**CC:** Repayable on demand. **WCDL:** To be drawndown in tranches. Each tranche is repayable within a maximum period of 180 days or on expiry of the validity period of the drawals, whichever is earlier. **BG:** The maximum tenor of the BG is 72 months. **LC:** The usance period for the LC is 180 days.	

S. No	Lender	Facility	Amount Outstanding as of December 31, 2012	Interest Rate**	Repayment Schedule/ Tenor	Security
10.	YBL	**FB**: CC of ₹100.00 million with a WCDL sublimit of ₹ 100.00 million **NFB**: Performance guarantee of ₹300.00 million with the following sublimit: (i) financial guarantee of ₹ 100.00 million, (ii) BG of ₹150.00 million, (iii) LC of ₹ 100.00 million, (iv) sight letter of credit of 100.00 million, (v) letter of undertaking of 50.00 million and (vi) packing credit in foreign currency of 100.00 million The BG is to be collaterized to the extent of 100.00% of unfulfilled obligation at the end of 60 months.	₹Nil	Interest payable on CC is 400 basis points above base rate. The interest for the WCDL is as determined at the time of the drawdown. For performance bank guarantee, LC and sight letter of credit the commission payable is 0.50% p.a. payable quarterly. For financial guarantee, the commission payable is 0.75% p.a. payable quarterly and for BG, commission applicable is 0.60% payable quarterly. For, the commission payable is as decided at the time of the disbursement.	**CC:** Repayable on demand. **WCDL:** The tenor is a minimum period of one month and maximum period of 12 months. **Performance bank guarantee:** The tenor is 12 months. **For financial guarantee**: The tenor is 24 months including claim period. **BG:** The tenor is 120 months including claim period. **LC:** Usance period is 120 days and tenor is 180 days and for letter of undertaking, the tenor is 365 days. **For packing credit in foreign and Indian currency:** The tenor is 12 months.	
11.	Vijaya Bank	**FB:** CC facility of ₹ 260.00 million **NFB:** BG facility of ₹ 1,500.00 million	₹ 7.53	Interest payable on CC is 400 basis points above base rate For BG, the commission payable is 0.60% p.a.	**CC/WCDL:** Repayable on demand The term of the facility is subject to renewal after 12 months.	
	Total:	**26,000.00***	4,845.47			

** Please note that out of ₹ 26,000.00 million, fund based limit is ₹ 6,000.00 million and non-fund based limit is ₹ 20,000.00 million.*

*** Please note that any reference to base rate for computing the interest payable corresponds to the respective bank's base rate unless otherwise specified.*

The documentation concerning the above loans availed by the Company, *inter alia,* contain the following restrictive covenants:

a) The Company shall not, without the prior written permission of the lenders:

(i) Effect any change in the Company's capital structure;

(ii) Formulate any scheme of amalgamation or reconstruction;

(iii) Implement any scheme of expansion/diversification/modernization, other than incurring routine capital expenditure;

(iv) Make any corporate investment by way of share capital or debentures or lend or advance funds to or place deposits with, any other concern except, give normal trade credits or place deposits in the normal course of business or make advances to employees; provided that the Company may make such investments by way of deposits or advances that are required statutorily to be made as per the existing laws of the country or the rules or regulations or guidelines issued from time to time by the authorities concerned;

(v) Undertake guarantee obligations on behalf of any third party or any other company;

(vi) Declare dividends for any year except out of profits relating to that year after making all the due and necessary provisions; provided that no default had occurred in any repayment obligation and bank's permission is obtained;

(vii) during the subsistence of the liability of the Company under or in respect of any of the said facilities under default, the banks without prejudice to their respective rights referred to in this agreement, shall have the right to appoint and/remove, from time to time, a Director or directors not exceeding two on the board of directors of the Company as nominee director(s) to protect the interest of the banks;

(viii) Sell, assign, mortgage etc. any of the fixed assets charged to the lenders;

(ix) Repay monies brought in by Bollineni Seenaiah and Bollineni Krishnaiah, Directors, principal shareholders and their friends and relatives by way of deposits, loans, advances;

(x) All unsecured loans raised by the Company for financing a project are always subordinate to the loans of the lender and be permitted to repay only after the prior approval of all banks;

(xi) Make any material amendments in the Memorandum of Association and Articles of Association;

(xii) Make any change in during the management setup;

(xiii) Enter into borrowing arrangement with any other bank;

(xiv) Create any charge, lien or encumbrance over its undertaking to any part thereof in favour of any financial institution; and

(xv) Approach the capital markets for mobilizing additional resources either in the form of debts or equity.

b) In case of default by the Company, the lenders will have the right to convert the debt into equity at a time felt appropriate by the lender at a mutually acceptable formula.

c) There would be an event of cross default under most of the consortium sanctions if the Company has not repaid or makes a default in the payment of a loan for an amount exceeding the threshold amount and the Company shall be obliged to repay all amounts due to the lenders under the SBH lead consortium.

d) In addition to the above, with respect to the facility availed from SBH, the bank will have the option of appointing its nominees on the board of directors of the Company.

e) Further, with respect to the facility availed from IDBI, the Company shall not divert the facilities to inter-corporate deposits, debentures, stocks and shares, real estate business etc. In case of diversion to other uses, the facilities will be withdrawn forthwith and will also attract penal interest at 2.00% over and above the rate charged till repayment.

f) With respect to the loan availed from SCB, the bank shall be entitled to demand repayment of all monies due and payable under the facility and all other sums due in terms as under the sanction letter to withdraw the facility immediately, notwithstanding any other provision of any document and to enforce the securities. All liabilities including contingent liabilities shall become due and payable immediately upon occurrence of any event of default.

2. Term Loan availed from Axis Bank Limited.

Sanction letters dated May 29, 2010 and September 23, 2010, term loan agreement dated September 28, 2010, deeds of guarantee dated September 28, 2010 and composite hypothecation deed dated September 28, 2010.

Purpose of the loan: The loan facility has been granted for the general corporate purposes including funding long term working capital requirements.

(₹ in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹1,500.00	1,200.00	3.50% above base rate.	**Repayment** • loan shall be repaid in eight equal quarterly instalments commencing from January 31, 2012 **Security** • This loan is secured by: (a) subservient charge on the movable fixed assets and current assets of the Company; (b) pledge of shares by Bollineni Seenaiah, T Dayakar and B Aishwarya equivalent to 10.00% of the paid up capital of the Company; (c) pledge of our Company's shares equivalent to 20.00% of the paid-up capital of the BSCPL Godhra; and (d) Personal guarantees of the Promoters Bollineni Seenaiah and Bollineni Krishnaiah.

The documentation concerning the above loan availed by the Company, *inter alia*, contain the following restrictive covenants:

a) The loan is to be utilised only for the abovementioned purpose and it should not be utilised for (a) subscription to or purchase of shares/debentures; (b) extending loan to subsidiary companies/associates or for making inter-corporate deposits; and (c) any speculative purpose.

b) In case the Company desires to prepay the loan, the prepayment of loan will be accepted on the terms and conditions to be decided by the bank.

c) The Company shall not, without prior written permission of the lender:

(i) Enter into any scheme of merger, amalgamation, compromise or reconstruction;

(ii) Permit any change in its ownership or control, whereby the effective beneficial ownership or control of the Company shall change;

(iii) Effect any material change in the management setup;

(iv) Make any amendments to the Memorandum and Articles of Association;

(v) Avail any further loan or facility on the property constituting the lender's security;

(vi) Conclude any fresh borrowing arrangement, either secured or unsecured with any other bank or financial institution, borrower or otherwise, nor create any further charge over their fixed assets;

(vii) Undertake any expansion or fresh project or acquire fixed assets, while normal capital expenditure, e.g. replacement of parts can be incurred;

(viii) Invest by way of share capital in or lend or advance to or place deposits with any other concern (normal trade credit or security deposit in the routine course of business or advances to employees can however, be extended);

(ix) Undertake guarantee obligations on behalf of any other entity or any third party;

(x) Declare dividend for any year except out of profits relating to that year after making all the due and necessary provisions provided that no default had occurred in any repayment obligation and bank's permission is obtained; and

(xi) Make any repayment of the loans and deposits and discharge other liabilities except those shown in funds flow statement from time to time.

3. Rupee Term Loan availed from ICICI Bank Limited.

Credit arrangement letter dated March 24, 2010, corporate rupee loan facility agreement dated March 31, 2010 and pledge agreement dated December 8, 2010.

Purpose of the loan: The loan facility has been granted for capital expenditure, repayment of term loan, investment and development of road project at Godhra and investment/loan or advances of fund into BIPL by way of debt or any other debt instrument.

(₹in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹1,250.00	₹937.50	2.00% p.a. below the ICICI bank benchmark advance rate.	**Repayment** • A principal moratorium of 24 months from the date of first disbursement post which, the Company would pay the loan in eight equal quarterly instalments of ₹ 156.25 million each. The first instalment will fall due after 27 months from first disbursal. **Security** • Subservient charge on the current assets of the Company; • Unconditional and irrevocable personal guarantees of our Promoters, Bollineni Seenaiah and Bollineni

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
			Krishnaiah; • Pledge of equity shares of the BIPL held by our Company to the extent of 10.00% of the paid up share capital; and • Pledge of equity shares of BSCPL Godhra held by our Company to the extent of 20.00% of the paid up share capital.

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following restrictive covenants:

(i) Fund invested in BIPL by the Company is to be utilized only towards investment, capital expenditure, repayment of term loan, investment and development of road project at Godhra; and towards investment/loan or advances of Fund into BIPL by way of debt or any other debt instrument;

(ii) The facility amount should not be used to finance more than 50.00% of the money to be infused by the Company/BIPL in the Godhra project;

(iii) The lender may require mandatory prepayment of the loan availed within 15 days of an initial public offering or other finance raising exercise in excess of ₹ 1,000.00 million, provided such proceeds are infused as share capital. No amounts prepaid shall be re-borrowed under this loan facility;

(iv) The Company shall not enter into a single transaction or a series of transactions (whether related or not) and whether, voluntary or involuntary, to sell, lease, transfer or otherwise dispose of any of its assets other than in the ordinary course of business, or where the net book value of such assets, individually or in the aggregate exceed*s* ₹ 500.00 million per year;

(v) The Company shall not declare any dividend in an event of default;

(vi) The Company shall ensure adequate insurance cover against all risks on security offered for the facilities;

(vii) The management control of the company will remain with Bollineni Krishnaiah and Bollineni Seenaiah, their family and associates;

(viii) The Company shall not enter into any arrangement regarding any amalgamation, demerger, merger or corporate reconstruction;

(ix) The Company will seek prior approval from the lender if investment in the Subsidiaries exceeds ₹600.00 million during the tenure of the facility; and

(x) The lender shall have the right to appoint a nominee director in the event of default.

4. Foreign Currency Term Facility availed from SCB (Mauritius) Limited.

ISDA master agreement dated August 30, 2005, sanction letter dated August 30, 2007, loan agreement dated September 10, 2007 and memorandum of hypothecation dated September 19, 2007.

Purpose of the loan: The Loan has been granted for import of construction equipment.

(amount in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
USD 7.00 (₹378.42)*	USD 0.42 (₹23.25)*	Interest payable at the rate equal to three month London Interbank Offered Rate ("**LIBOR**") plus margin of 150 basis points payable quarterly at the end of each interest period.	**Repayment** • The principal amount of the facility shall be repayable in 16 equal quarterly instalments starting at the end of the 15th month and the last instalment being payable at the end of 60th month from the date of first disbursal. **Security** • Exclusive hypothecation charge on all the assets being financed by the lender; and • Post dated cheques for ₹ 290.50 million (value will change subject to INR for USD exchange conversion rate).

** Conversion date as on December 31, 2012.*

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following covenants:

(i) Loan amount shall be utilised only for the abovementioned purpose;

(ii) The order book of the Company shall not go below ₹ 25,000.00 million;

(iii) There would be an event of cross default if the Company has not repaid or makes a default in the payment of a loan for an amount exceeding the threshold amount;

(iv) The Company may prepay the loan only after giving 15 days written notice to the bank and is done in a minimum amount of USD 0.50 million (₹ 27.03 million) or in multiples thereof, with a prepayment fee of 0.25% on the prepaid amount;

(v) Company shall take prior approval from the lender before carrying out any change in its capital structure/shareholding pattern; and

(vi) The Company shall not without the prior written consent of the security lender transfer or create/allow to be created in any manner any charge, lien, hypothecation, mortgage, pledge or other encumbrance on the securities created in favour of the lender.

5. Foreign Currency Term Facility availed from SCB (Mauritius) Limited.

Master agreement dated August 30, 2005, sanction letter dated April 4, 2008, loan agreement dated April 24, 2008 and memorandum of hypothecation dated June19, 2008.

Purpose of loan: Loan has been granted for import of construction equipment.

(amount in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
USD 3.00 (₹162,18)*	USD 0.55 (₹30.27)*	Interest payable at the rate equal to 3 month LIBOR plus margin of 150 basis points payable quarterly at the end of each interest period.	**Repayment** • The principal amount of the facility shall be repayable in 16 equal quarterly instalments starting at the end of the 15th month and the last instalment being payable at the end of 60th month.

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
			Security (a) Exclusive hypothecation charge on all the assets being financed by the lender; and • Post dated cheques for ₹ 124.50 million (value will change subject to INR for USD exchange conversion rate).

** Conversion rate as on December 31, 2012.*

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following restrictive covenants:

(i) Loan amount shall be utilised only for the abovementioned purpose;

(ii) The order book of the Company shall not go below ₹25,000.00 million;

(iii) The Company may prepay the loan only after giving 15 days written notice to the bank and is done in a minimum amount of USD 0.50 (₹ 27.03 million) million or in multiples thereof, with a prepayment fee of 0.25% on the prepaid amount;

(iv) The Company shall take prior approval from the lender before carrying out any change in its capital structure/shareholding pattern; and

(v) The Company shall not, without the prior written consent of the security trustee (Standard Chartered Bank):

a) Transfer or create/allow to be created in any manner any charge, lien, hypothecation, mortgage, pledge or other encumbrances on the securities created in favour of the lender; and

b) Permit any change in its constitution and management.

6. Term Loan availed from Citibank N.A.

Sanction letter for working capital facilities dated November 26, 2007 and term loan cum hypothecation agreement dated January 18, 2008.

Purpose of loan: Loan has been granted for financing the working capital requirements of the Company.

(₹in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹340.00*	₹17.70	10.25% p.a. payable monthly for the term loan of ₹ 135.00 million and 9.90% p.a. payable monthly for the term loan of ₹ 115.00 million.	**Repayment** • loan is repayable on demand. The tenor of the term loan is five years inclusive of a moratorium of one year, subject to annual review. **Security** • first exclusive charge on all the fixed assets funded out of the term loan; and • second charge on present and future stocks and receivables of the Company.

** Please note that total sanction amount is ₹340.00 million which is inclusive of term loan of ₹250.00 million and* *cash credit of ₹90.00 million. Out of which the Company has availed only the term loan. The working capital loan has not been availed and the same has lapsed.*

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following restrictive covenants:

a) The Company shall not, without the prior permission of lender:

(i) Effect any material change in the shareholding of the Company;

(ii) Issue guarantee of any kind;

(iii) the Company accepts that if the Company fails to pay any monies when due or when may be declared prior to the date when it would otherwise have become due or commits any other default under any agreement with the bank, the bank shall without prejudice to any of the right in any other agreement, exercise all or any rights under any of the Company's agreements with the bank;

(iv) Change the equity, management and operating structure of the Company;

(v) Declare or pay dividends in respect of any financial year if an event of default has occurred or is continuing;

(vi) Effect any sell-off, merger, amalgamation, reconstruction or consolidation; and

(vii) Make any corporate investments or investment by way of share capital or debentures or advance funds or monies to or place deposits with any other company, body, person or concern. Provided that the Company may make such investments by way of deposits or advances that are required statutorily to be made as per the existing laws of the country or the rules or regulations or guidelines issued from time to time by the authorities concerned.

7. Term Loan availed from Indian Overseas Bank.

Sanction letter dated January 21, 2011, term loan agreement dated March 14, 2011 and consent cum authorization letter dated March 14, 2011.

Purpose of loan: The loan has been granted for the purpose of meeting liquidity mismatch.

(₹in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹500.00	₹124.97	At the rate of 2.25% above the base rate of the lender with monthly rest.	**Repayment** • Term loan to be repaid in 12 instalments commencing from April 15, 2012. **Security** • This loan is secured by way of subservient charge on the fixed assets of the Company; • Post dated cheques for the principal and interest; and • Personal guarantee of Bollineni Seenaiah and Bollineni Krishnaiah

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following restrictive covenants:

a) The Company shall not, without the prior permission of the lender:

(i) Change or in any way alter the capital structure;

(ii) Effect any scheme of amalgamation or reconstruction;

(iii) Implement a new scheme of expansion or take up an allied line of business of manufacture;

(iv) Enlarge the scope of the other trading activities if any undertaken at the time of the application and notified to the bank as such;

(v) Declare dividend or distribute profits after deduction of taxes, except where the instalments of principal amount and interest payable to the lender are being paid regularly;

(vi) Withdraw or allow to be withdrawn during the currency of the loan, any moneys brought in by the Company or the proprietors, partners or directors of the Company;

(vii) Invest any funds by way of deposits or loans or in share capital of any concern so long as any money is due to the lender, the Company will however be free to deposit funds by way of security with third parties in a normal course of business or if required for the business;

(viii) Borrow certain credit facilities of any description from any other bank or credit agency or money lenders or enter into hire purchase arrangements during the currency of the loan; and

(ix) The Company shall not, during the continuance of this agreement sell, dispose of pledge, hypothecate or otherwise charge, encumber or in any manner part with the possession of the securities or any part thereof except in the manner prescribed by the lender.

8. Foreign Currency Term Facility availed from SCB London, U.K. Limited.

Sanction letter dated February 07, 2011, loan agreement dated February 24, 2011 and cross currency swap agreement dated April 06, 2011.

Purpose of loan: the loan has been granted for the purpose of purchase of construction equipment.

(amount in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
USD 10.00 (₹ 540.60)*	(USD 8.74) (₹478.52)*	Interest payable at the rate equal to three month LIBOR plus margin of 250 basis points payable quarterly at the end of each interest period.	**Repayment** • Loan is repayable in five years. **Security:** • exclusive charge on all the assets being financed by the lender; and • undated cheques for the fully hedged principal amount.

* *Conversion rate as on December 31, 2012.*

During the subsistence of the loan agreements, the Company or its Subsidiaries shall not:

a) sell, transfer or otherwise dispose of any of its assets such it may be re-acquired by the Company or its Subsidiaries;

b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

c) dispose of any part or all of their assets or make any acquisitions other than in the ordinary course of business;

d) allow the aggregate financial indebtedness of the Company or the Subsidiaries to exceed USD 10.00 million (₹ 540.60 million); and

e) make any substantial change or dispose of assets such that the nature of the business of the Company is affected.

9. Rupee Term Loan availed from ICICI Bank.

Credit arrangement letter dated December 29, 2011, amendatory credit arrangement letter dated March 28, 2012, corporate rupee loan facility agreement dated March 15, 2012, amendment agreement to the facility agreement dated March 29, 2012 and share pledge agreement dated March 29, 2012.

Purpose of loan: the loan has been granted for subscription of optionally convertible/non-convertible instruments (including but not limited to optionally convertible/non convertible redeemable preference shares/debentures) issued by identified infrastructure project company, or infusion as debt in the infrastructure project company for partly meeting Company's/and BIPL's contribution for the infrastructure projects identified under the loan; and transaction costs and expenses.

(₹ in million)

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹1,500.00	₹1,500.00	Interest would be the sum of the I-Base and spread per annum at 2.75%. Interest rate would change effective from the date the lender revises the base rate.	**Repayment** • the loan shall be repaid in 16 equal quarterly instalments starting at the end of 27 months from the date of the first drawdown of the loan. **Security** • residual charge over the current asset and moveable fixed assets of the Company; • exclusive charge over the debt service reserve account • unconditional and irrevocable personal guarantees of the Promoters Bollineni Seenaiah and Bollineni Krishnaiah; • extension of pledge over 10.00% of the Equity Shares, already pledged by the Promoters to the lender for rupee term loan facility of ₹ 1,250 million availed by the Company from the lender; • extension of pledge over 20.00% shares of BSCPL Godhra already pledged by our Company to the lender for rupee term loan facility of ₹ 1,250 million availed by the Company; • pledge by the Company over 26.00% equity shares of BIPL; and • non-disposal undertaking and power of attorney arrangement over instruments vide which loan proceeds are infused into the infrastructure project company.

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following restrictive covenants:

(i) The Company shall not infuse the proceeds of the facility in the infrastructure project companies where the lender has provided any provide project finance debt;

(ii) The proceeds of the facility being utilized for infusion in the infrastructure project companies shall not replace the project lenders in such companies;

(iii) The Borrower shall not in aggregate sell, transfer or otherwise dispose off assets exceeding ₹ 300.00 million in any financial year.

(iv) The Company shall not declare any dividend in an event of default without the prior approval of the lender;

(v) No loans and advances and investments to the group companies by the Company exceeding a cumulative value of ₹ 1,500.00 million during the tenure of the facility. The lender may require mandatory prepayment of the facility, *inter alia*, upon any equity issuances, including an initial public offering. However, the proceeds from such equity issuances can be utilized to meet equity requirements for development of certain of certain specified infrastructure projects without triggering the mandatory prepayment clause up to a sum of ₹ 5,000.00 million, in case of an initial public offering or a combination of initial public offering and other sources and ₹ 4,000.00 million in case of offering other than the initial public offering. For details of the mandatory prepayment for this facility from the net proceeds, see section titled "***Objects of the Issue***" on page 102;

(vi) The Company, BIPL or the infrastructure project company shall not enter into any arrangement regarding acquisition, amalgamation, demerger, merger or corporate reconstruction without the prior approval of the lender;

(vii) The Company and BIPL jointly shall not incur capital expenditure exceeding ₹ 1,000.00 million per annum in any financial year subject to an aggregate amount not exceeding ₹ 3,250.00 million during the entire duration of the facility;

(viii) The Company and the BIPL jointly shall not incur additional indebtedness exceeding ₹ 750.00 million in any financial year without the prior approval of the lender; and

(ix) The lender shall have the right to appoint a nominee director in the event of default.

10. Rupee Term Loan from Axis Bank.

Sanction letter dated February 5, 2013.

Purpose of loan: the loan has been granted for the purpose of the construction and development of our Bollineni Hillside Project.

(₹ in million)

Sanctioned amount	Outstanding amount as of December 31, 2012*	Interest	Purpose of loan/Repayment/Security
₹800.00	Nil	Interest is payable at 400 points above base rate.	**Repayment** • The repayment will commence from nine months from the date of the first disbursement and shall be repaid in four equal instalments. **Security:** • exclusive first charge on unsold portions of land and buildings of the project, both present and future (cumulative land area being 29,400 sq. m); • exclusive first charge on all movable fixed assets of the unsold portion of the project , both present and future; • exclusive first charge on all receivables from the

			project, both present and future; • first charge on trust and retention account and other current accounts of the project, to be maintained with the lender; and • negative lien on land measuring 36.40 acres pertaining to phase II of the project.

*We have drawn down ₹ 500 million from the above facility on March 1, 2013.

The documentation concerning the above loan availed by the Company, *inter alia,* contain the following restrictive covenants:

(i) During the subsistence of the loan agreement, the Company shall not raise any further borrowings for the project without the prior permission of the bank in writing;

(ii) The Company shall try and place maximum amount of funds received as promoter's contribution, pending utilization in the designated account with the lender. Such funds shall be used only for the project and to reduce the term loan facility;

(iii) The Promoters to provide an undertaking that cash losses, if any, of the Company will be funded by unsecured funds from the Promoters of the Company and would be subordinate to the banks' credit facilities for repayment;

(iv) The Promoters of the Company shall also undertake to finance any shortfall or delay in receipt of revenue to ensure smooth implementation of the project;

(v) Post moratorium of six months from the date of the first disbursement, the Company is to utilize 25.00% of surplus cash generated for prepayment of debt, post moratorium of six months or a collection of ₹400.00 million from the date of first disbursement, whichever is earlier. No prepayment penalty will be levied in this event;

(vi) During the subsistence of the facility, the borrower will not, without the lender's prior intimation in writing:

a) Create any further charge on their fixed assets;

b) Undertake any expansion or fresh project or acquire fixed assets, while normal capital expenditure e.g. Replacement of parts can be incurred;

c) Invest by way of share capital in or lend or advance to or place deposits with any other concern (normal trade credit or security deposit in the routine course of business or advances to employees can, however be extended);

d) Formulate any scheme of amalgamation/reconstruction with any other entity;

e) Declare dividend for any year except out of profits relating to that year after making all the due and necessary provisions provided that no default had occurred in any repayment obligation and bank's permission is obtained;

f) Make any repayment of the loans and deposits and discharge other liabilities except those shown in the funds flow statement submitted from time to time; and

g) Make any change in their management set up.

Unsecured Borrowings

As on December 31, 2012, the Company has not availed any unsecured borrowings.

Guarantees by the Company

Set forth below is a brief summary of the corporate guarantees executed by the Company aggregating ₹51,920.20 million as on December 31, 2012.

Name of lender	Date	Name of the borrower	Guarantee amount (₹ in millions)
Canara Bank, Infrastructure Development Finance Company Limited, India Infrastructure Finance Company Limited, SBH and VB	April 25, 2008	BSC-C&C Kurali Toll Road Limited	2,600.00
Bank of Baroda, IIFCL, L&T Infrastructure Finance Company Limited, State Bank of Bikaner and Jaipur, SBH and SBI	May 3, 2010	BSCPL Godhra	5,250.00
SBI, Punjab and Sind Bank (“**PSB**”), Federal Bank, India Infrastructure Finance Company Limited, SBH and UBI	July 29, 2010	Mokama-Munger Highway Limited	3,550.00
SBI, Infrastructure Development Finance Company Limited,SBH, State bank of Mysore, State bank of Patiala, State bank of Bikaner & Jaipur and IIFCL	September 13, 2010	Simhapuri Expressway Limited	20,400.00
SBI	November 30, 2010	North Bihar Highway Limited	4,750.00
Axis Bank Limited	September 17, 2011	Patna Bhaktiyarpur Tollways Limited	6,810.20
ICICI Bank Limited, IIFCL, Corporation Bank, Tamil Nadu Mercantile Bank Limited, SBH and VB*	June 28, 2011	BSCPL Aurang	8,560.00
TOTAL			**51,920.20**

**The Company has entered into a Sponsor Support Agreement dated July 23, 2012, for the loan availed.*

<u>Equipment Loans availed by the Company and the Unincorporated Joint Ventures</u>

Loans availed by the Company

1. **Term Loan availed from Shriram Equipment Finance Company Limited.**

Sanction letter dated October 29, 2012, loan agreement dated October 31, 2012.

Purpose of loan: Loan has been granted for the purpose of purchase of equipment.

(*₹in million)*

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹100.00	₹44.92	Interest at 11.80% p.a.	**<u>Repayment</u>** • Loan is repayable in 35 monthly instalments, first payable on November 20, 2012. **<u>Security:</u>** • exclusive charge on all the assets being financed by the lender; • Post dated cheques for all instalments; and • Personal guarantee of Bollineni Seenaiah. **<u>Terms and Conditions:</u>** • During the subsistence of the loan agreements, the Company or its Subsidiaries shall not encumber or

Sanctioned amount	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
			transfer the hypothecated assets in any manner whatsoever without the express consent in writing of the lender.

2. **Term loan availed from TATA Capital Finance Services Limited.**

Sanction letter dated November 22, 2012, loan cum hypothecation cum guarantee agreement dated November 30, 2012.

Purpose of loan: Loan has been granted for the purpose of purchase of equipment.

(*₹in million)*

Sanctioned amount	Drawdown amount as of December 31, 2012	Outstanding amount as of December 31, 2012	Interest	Purpose of loan/Repayment/Security
₹ 66.50	₹ 61.11	₹ 61.11	Interest at 10.92% p.a.	**Repayment** • Loan is repayable in 36 monthly instalments **Security:** • Exclusive charge on all the assets being financed by the lender; and • Post dated cheques for all instalments. **Terms and conditions:** During the subsistence of the loan agreements, the Company or its Subsidiaries shall not: • Use the assets for any purpose except as stated in the loan agreement; and • Encumber or transfer the hypothecated assets in any manner whatsoever without the express consent in writing of the lender.

Loans availed by our Unincorporated Joint Ventures

Set forth below is a brief summary of the equipment loans availed by BSC C&C JV aggregating to ₹616.78.

Purpose of loan: the loan has been granted for purchase of vehicles and equipments.

(₹in millions)

S. No.	Name of lender*	Loan amount	Current outstanding amount as on December 31, 2012	Security for the loan
1.	Magma Fincorp	294.06	114.99	**Security** • Exclusive charge on all the assets being financed by the lender
2.	ICICI	7.69	6.07	**Security** • Exclusive charge on all the assets being financed by the lender

S. No.	Name of lender*	Loan amount	Current outstanding amount as on December 31, 2012	Security for the loan
3.	Tata Capital	134.02	28.00	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender; and • Personal guarantee of director of the co-borrower, C&C Constructions
4.	IndusInd Bank Limited	141.27	65.55	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender; and • Personal guarantee of director of the co-borrower, C&C Constructions
5.	Reliance Capital	12.80	9.66	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender
6.	Dhanlaxmi Bank	47.12	38.50	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender
7.	L&T Finance Limited	292.88	231.79	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender; and • Personal guarantee of B. Seenaiah, Charanbir Singh Sethi and G.S. Johar, director of C&C Constrictions
8.	Axis Bank	0.80	0.38	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender
9.	Hinduja Leyland Finance	37.20	31.98	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender
10.	SREI Equipment Finance	296.88	89.86	**<u>Security</u>** • Exclusive charge on all the assets being financed by the lender
TOTAL		1,264.72	616.78	

** Please note that the disclosures of the equipment loans availed by BSC C&C JV made hereinabove, have been aggregated to the lender.*

SECTION VI- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below (i) there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings, statutory or legal proceedings including those for economic offences, or tax liabilities, show cause notices or legal notices against our Company, our Directors, our Promoters, Group Companies, Subsidiaries, Joint Venture Companies, Unincorporated Joint Venture arrangements 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, over-dues to banks/financial institutions, defaults against banks / 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 and or arrears on cumulative preference shares issued by our Company, Promoters, Group Companies and entities, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company or our Subsidiaries except as stated below, and (iii) and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Subsidiaries, our Directors, our Promoters, Group Companies and entities.

Further, (i) neither our Company nor our Promoters, relatives of Promoters, Subsidiaries, members of our Promoter Group, Group Companies and entities, and Directors, have been declared as wilful defaulters by the RBI or any other government authority and, (ii) except as disclosed in this section, there are no violations of securities laws committed by them or penalties imposed on them thereunder in the past or pending against them, and adverse findings regarding compliance with securities laws.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

Cases filed against our Company

Civil Litigation

Provided below are the details of the civil litigation filed against our Company.

(i) We have been provided with public interest litigation filed as writ petition No. 8839/2013 filed by V. Manjunatha *inter alia* against our Company before the Karnataka High Court. The writ petition was filed under Article 226 of the Constitution of India. The petitioner has contended that Bangalore Development Authority has issued final acquisition notification for acquisition of 4043 acres and 27 guntas for formation of Nadaprabhu Kempegowda layout however the land acquisition department of Bangalore Development Authority was able to hand over only 1356 acres and 22 guntas of land to form the layout. The Bangalore Development Authority cancelled the notification and called for a pre-qualification tender for development of roads under its jurisdiction. The petitioner claimed that Bangalore Development Authority without taking possession of the entire acquired land and without approval of layout plan proceeded to form the roads for the said layout without possession. The petitioner further alleged various malpractices and claimed that the authorities had not followed the rules, regulations and circular instructions of the Government and prayed for a writ of mandamus to be issued to start the "re-tender" process afresh. The petitioner prayed for an interim relief of staying the notification inviting financial bid dated December 4, 2012 bearing no. BDA/EM/TA-1/TEN/WORK/T-2012-13 issued by the Bangalore Development Authority, pending disposal of the writ petition. The Karnataka High Court in its interim order dated February 20, 2013 has granted an interim stay.

(ii) The Union of India, through the Executive Engineer, Andaman Public Works Department, Andaman and Nicobar Islands filed a civil suit being O.S. No. 01 of 2010 under section 34 of the Arbitration and Conciliation Act, 1996, against our Company and the sole arbitrator before the Court of District Judge at Port Blair for setting aside of the arbitral award dated November 3, 2009, which was passed in relation to the contract dated February 18, 1999 for extension of the runway at Port Blair airport by 5,000 feet. The award of November 3, 2009 had allowed our Company (a) escalation costs; (b) revision of rates for bituminous macadam; and (c) losses arising due to idling of machinery with an interest rate of 12.00% payable with effect from June 28, 2002, aggregating to ₹ 55.38 million. The Union of India challenged the arbitral award on the grounds of mis-interpretation and improper appreciation of the terms of the contract entered into for the construction project. A counter-statement was filed by our Company and the matter is currently pending before the District Judge at Port Blair, Andaman and Nicobar Islands.

(iii) Bansilal Varma filed a civil suit bearing No. 46 of 2009 against our Company before the Senior Judicial Magistrate, Sagar, Madhya Pradesh claiming amounts due to him for works done in the capacity of sub-contractor on the Jaipur-Ajmer NH-8 expressway project. The plaintiff claimed that in spite of submitting bills for the actual works done by him, our Company had paid him an amount lesser than the actual amount due to him. The total amount claimed by him is ₹ 0.39 million. The matter is currently pending before the Senior Judicial Magistrate, Sagar, Madhya Pradesh.

(iv) Ganesh Balai filed a civil suit bearing No. 5B of 2009 before the Court of the District Judge, Dhar, Madhya Pradesh against our Company and the Road Development Tribunal, Bhopal, Madhya Pradesh claiming compensation for the loss suffered by him due to the damage to the standing crop on his land situated at survey no. 168, Ghatgaara Village. The petitioner claimed that the construction of a diversion road at Pulia by our Company led to considerable water clogging which damaged the standing crops on his land. The total amount of compensation claimed by him is ₹ 0.10 million. The matter is currently pending before the Court of the District Judge, Dhar, Madhya Pradesh.

Compensation Claims

<u>Motor Vehicle Claims</u>

Provided below is a brief description of the claims filed against our Company before different Motor Accident Claims Tribunals wherein the compensations claimed are to ₹ 1.00 million or higher. We understand that, in addition to these compensation claims, there are criminal complaints registered against the employees of our Company, which are pending before different forums.

(i) Laxminarayan Sharma and Madanlal Sharma filed claim petitions bearing Motor Accident Claims ("**M.A.C.**") No. 470 of 2009 and M.A.C. No. 468 of 2009 dated April 7, 2010 against Mannu Bhuriya, employee of our Company, our Company and Oriental Insurance Company Limited before the Motor Accident Claims Tribunal ("**MACT**"), Bhilwara, Rajasthan, claiming compensation of ₹ 2.67 million for the injuries suffered by them due to the alleged reckless driving of Mannu Bhuriya. The petitions were filed under sections 140 and 166 of the Motor Vehicles Act, 1988 (the "**Motor Vehicles Act**"). The matters are currently pending before the MACT, Bhilwara, Rajasthan.

(ii) Jana Bai, Bharathi and Yashraj filed a claim petition bearing M.A.C. No. 21 of 2010, against Prakash, employee of our Company, our Company and Oriental Insurance Company Limited before the Motor MACT, Thar, Madhya Pradesh claiming compensation of ₹ 1.70 million for the death of Padam Singh due to the alleged reckless driving of Prakash. The petition was filed under section 166 of the Motor Vehicles Act. The matter is currently pending before the MACT, Thar, Madhya Pradesh.

(iii) Kamalavathi Devi and others filed a claim petition bearing M.A.C. No. 51 of 2009 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 2.72 million for the death of Nagendra Yadav due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(iv) Jaglal and another filed a claim petition bearing M.A.C. No. 42 of 2009 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 1.41 million for the death of Jeetan due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(v) Uma Singh and others filed a claim petition bearing M.A.C. No. 57 of 2009 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 2.24 million for the death of an unnamed person due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(vi) Kamala Devi and others filed a claim petition bearing M.A.C. No. 32 of 2009 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 5.82 million for the death of Gurusharan due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(vii) Rojan Ali and others filed a claim petition bearing M.A.C. No. 9 of 2010 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 4.66 million for the death of Wahidunissa due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(viii) Mithilesh Soni and others filed a claim petition bearing M.A.C. No. 40 of 2009 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 1.96 million for the death of Kamal Soni due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(ix) Radha Raman and others filed a claim petition bearing M.A.C. No. 73 of 2010 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagari, Uttar Pradesh claiming compensation of ₹ 1.01 million for injuries caused to her due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(x) Saveri Devi and others filed a claim petition bearing M.A.C. No. 383 of 2009 against Gopal Rao, employee of our Company, our Company and New India Assurance Company Limited before the MACT, Sant Kabir Nagar, Uttar Pradesh claiming compensation of ₹ 2.21 million for the death of Kalicharan due to the alleged reckless driving of Gopal Rao. The petition was filed under sections 140 and 166 of Motor Vehicles Act. The matter is currently pending before the MACT, Sant Kabir Nagar, Uttar Pradesh.

(xi) CS Manjunath filed a claim petition bearing M.V.C. No. 6 of 2012, against Ujjwal, employee of our Company and our Company before the Senior Civil Judge and MACT, Kadur, Karnataka claiming compensation of ₹ 2.00 million for injuries sustained by him due to the alleged reckless driving of Ujjwal. The petition was filed under section 166 of the Motor Vehicles Act. The matter is currently pending before Senior Civil Judge (MACT), Kadur, Karnataka.

(xii) Vijaya Rani through Ajay Kumar filed a claim petition bearing M.V.C. No. 210 of 2009, against Suresh, employee of our Company, our Company and New India Assurance Company Limited before the Court of First Class Magistrate, Rahali, Sagar, Madhya Pradesh claiming compensation of ₹ 1.97 million for the death of Uttamchandra Kurmi, caused due to the alleged reckless driving of Suresh. The petition was filed under sections 140 and 166 of the Motor Vehicles Act. The matter is currently pending before the Court of First Class Magistrate, Rahali, Sagar, Madhya Pradesh.

(xiii) Khathi Chemmaya filed a claim petition bearing M.V.C. No. 63 of 2005 against Hanuman, employee of our Company, our Company and National Insurance Company Limited, before the MACT, Kishangad, Rajasthan, claiming compensation of ₹ 1.12 million for the death of Khathi Pochamma, caused due to the alleged reckless driving of Hanuman. The petition was filed under sections 140 and 166 of the Motor Vehicles Act. The matter is pending before the MACT, Kishangad, Rajasthan.

(xiv) Mondru Subba Rao filed a claim petition bearing M.V.O.P. No. 212 of 2012 against Ramjee Gupta, employee of our Company, our Company, and National Insurance Company Limited before the Motor Accident Claims Tribunal (in the Court of District Judge, Ongole, Andhra Pradesh) claiming compensation

₹ 1.11 million for injuries sustained by him caused due to the alleged reckless driving of Ramjee Gupta. The petition was filed under section 166 of the Motor Vehicles Act. The matter is pending before the Motor Accident Claims Tribunal (in the Court of District Judge, Ongole), Andhra Pradesh.

(xv) Prasana Kumari, Ashritha, Nehalakshmi, Seetharavamma, and Suseela, Nagarjuna Reddy, Tharun Kumar Reddy, Venkata Reddy and Varamma filed claim petitions bearing M.V.A.C. Nos. 314 of 2012 and 319 of 2012 against Ram Manoj Manjee, employee of our Company, our Company and New India Assurance Company Limited before the MACT (In the Court of District Judge), Ongole, AndhraPradesh claiming compensation of ₹ 1.60 million for the death of Guthikonda Rosi Reddy, Lingamgunta Venkata and Sesha Rao caused due to the alleged rash and negligent driving of Ram Manoj Manjee. The matter is pending before the MACT (in the Court of District Judge, Ongole), Andhra Pardesh.

In addition to the afore disclosed claim petitions filed against our Company, there are 21 claim petitions filed against our Company and certain other parties, including employees of our Company claiming compensation on account of the death or injuries sustained, wherein the value of the compensation claimed is less than ₹ 1.00 million. The aggregate amount of compensation claimed/amount liable in respect of these 21 cases is ₹ 2. 43 million. The aforementioned matters are currently pending before various MACT.

<u>Workmen's Compensation Claims</u>

(i) Ishwariya filed a claim petition bearing No. WCCF of 2004 against our Company and National Insurance Company Limited, before the Workmen's Compensation Tribunal, Jaipur, claiming compensation of ₹ 1.20 million for the death of Valiyur Venkataraman. The petition was filed under section 22 of the Workmen's Compensation Act, 1923 ("**Workmen's Compensation Act**"). The matter is pending before the Workmen's Compensation Tribunal, Jaipur.

(ii) Harizan Chitemma filed claim petition bearing No. 198 of 2003 against our Company and United Insurance Company Limited in the Court of the Commissioner (Workmen's Compensation), West Bengal claiming compensation of ₹ 0.17 million for the death of Harizan Hussain. The petition has been made under section 22 of the Workmen's Compensation Act. The claim is pending before the Court of the Commissioner (Workmen's Compensation), West Bengal.

(iii) Annusuyamma filed a claim petition bearing No. 121 of 2008 against our Company and United Insurance Company Limited in the Court of the Commissioner (Workmen's Compensation), West Bengal claiming compensation of ₹ 0.20 million for the death of Venkatanna. The petition has been made under section 22 of the Workmen's Compensation Act. The claim is pending before the Court of the Commissioner Workmen's Compensation, West Bengal.

(iv) V. Vijaya Lakshmi filed claim petition bearing No. 177 of 2008 against our Company and United Insurance Company Limited in the Court of the Commissioner Workmen's Compensation, West Bengal claiming compensation of ₹ 0.26 million for the death of Uday Bhaskar Rao. The petition has been made under section 22 of the Workmen's Compensation Act. The claim is pending before the Court of the Commissioner (Workmen's Compensation), West Bengal.

(v) Sabera Begum filed an appeal bearing No. F.M.A.T. 635 of 2011 against our Company and United Insurance Company Limited before the High Court of Calcutta, claiming enhancement of compensation on the ground that the compensation amounting to ₹ 0.27 million awarded to her vide order dated March 21, 2011 for the death of Dastagiri under claim petition No. 120 of 2008 was wrongly calculated on the basis of a base salary of ₹ 2,405 instead of ₹ 4,000. The matter is currently pending before the High Court of Calcutta.

(vi) D. Revathamma and certain others filed a claim petition bearing No. 32 of 2011 against our Company and Tata AIG General Insurance Company Limited in the Court of the Commissioner of Labour (Workmen's Compensation), Hyderabad claiming compensation of ₹ 0.60 million for the death of D. Venkatramulu, employee of our Company. The petition has been made under section 22 of the Workmen's Compensation Act. The claim is pending before the Court of the Commissioner of Labour (Workmen's Compensation), Hyderabad.

(vii) Alok Ekka, employee of our Company filed a claim petition against our Company and National Insurance Company Limited claiming compensation of ₹ 0.10 million for injuries sustained by him. The claim has been made under section 22 of the Workmen's Compensation Act. Our Company vide letter dated March 19, 2012 intimated the National Insurance Company Limited about the said accident and requested further documentation in this regard.

In addition to the aforementioned claim petitions, there are eight additional workmen's compensation claims wherein the amount claimed has not yet been quantified, and the same are currently pending before different forums.

Land Dispute

(i) Rajeshkumar Jayantilal filed a civil suit bearing No. 251 of 2011 against NHAI, Government of India, Collector of Dahod, Government of Gujarat, our Company and certain others before the Court of Principal Civil Judge, Dahod, Gujarat claiming enhancement of compensation paid to him by NHAI for acquisition of land during the project undertaken for widening of the Ahmedabad- Indore road from two lane to four lane. Our Company has filed its written statement. However, the amount of compensation payable is not quantified as yet. The matter is currently pending before the Court of Principal Civil Judge, Dahod, Gujarat.

(ii) Thakur Ram Janki filed a civil suit bearing No. 366 of 2009 against Yogesh Lal, employee of our Company and certain others, before the Court of Civil Judge (Junior Division), Sant Kabir Nagar, Uttar Pradesh seeking an injunction to restrain Yogesh Lal and the others from demolishing a temple situated on NH-28 on account of widening of the road from two lane to four lane. Our Company filed a reply to the said suit claiming that they were not a party to the suit. The matter is currently pending before the Court of Civil Judge (Junior Division), Sant Kabir Nagar, Uttar Pradesh.

(iii) Mopuru Prabhakara Reddy filed a civil suit bearing No. 626 of 2010 against Bollineni Krishnaiah Charitable Trust and our Company before the Court of the First Additional Senior Civil Judge, Nellore, Andhra Pradesh seeking to restrain encroachments by the defendants on the subject property. The defendants have filed a written statement. The matter is currently pending before the Court of the First Additional Senior Civil Judge, Nellore, Andhra Pradesh.

(iv) The Tahsildar, Revenue Department, Nilgiri, issued a reminder notice to our Company intimating them that they were liable to pay an amount of ₹ 0.44 million towards dues payable to the government on account of land conversion which was previously intimated to our Company vide letter bearing No. 12663 dated December 13, 2006 issued by the Tahsildar, Nilgiri. The matter is currently pending before the Revenue Department, Nilgiri.

Mining Cases

(i) Jayanna and certain others filed a civil suit bearing O.S. No. 531 of 2010 against RG Desai, employee of our Company before the Court of Civil Judge (Junior Division), Channarayapatna, Karnataka to restrain the respondent from doing any mining work on the suit property situated at Kodibealgola, Ragibommenahalli, Gowdgere Village, until they obtained proper licences from the concerned department or otherwise causing any damage to his land. Our Company has submitted to the court on February 9, 2010 that the suit property was neither owned nor leased by our Company and further that, no mining activity was undertaken on the same. An application for interim injunction dated December 9, 2010 was filed by plaintiffs, and a reply dated December 18, 2010 thereto was filed by the respondent herein. The matter is currently pending before the Court of Civil Judge (Junior Division), Channarayapatna, Karnataka.

(ii) The Assistant Director of Mines and Geology, Vigilance, Ongole sent a show cause notice to our Company bearing No. 501/Illegal/Vg(Ogl)/2012-2013 dated July 28, 2012 informing our Company that as a result of the inspection carried out, it was determined that gravel was being illegally extracted and therefore, directing our Company to show cause within ten days from the receipt of notice as to why the quarrying operations of our Company ought not be stopped. The total amount sought to be recovered as seniorage and penalty under the Andhra Pradesh Minor Minerals Concession Rules, 1966 ("**APMMC Rules**") as per the show cause notice is ₹ 3.59 million. Our Company filed a revision application against the said notice before the Joint Secretary to Ministry of Commerce, Department of Mines, which is the revisional authority under the APMMC Rules challenging the demand for payment of seniorage and imposition of penalty which is currently pending.

(iii) Our Company received a show cause notice from the Assistant Director of Mines and Geology, Vigilance, Ongole bearing No. 501/Illegal/Vg(Ogl)2012-2013 dated October 1, 2012 informing our Company that as a result of the inspection carried out, it was determined that illegal quarrying for gravel was being undertaken in Mulaguntapadu in Bitragunta and therefore further directing our Company to show cause as to why a penalty of ₹ 2.38 million ought not to be imposed under the APMMC Rules. The matter is currently pending before the Assistant Director of Mines and Geology, Vigilance, Ongole.

(iv) The Assistant Director of Mines and Geology, Vigilance sent a notice to our Company bearing No. 502/Civil Construction/2012-2013 dated June 18, 2012 directing our Company to furnish documentary evidence to the inspection and measurement of ordinary sand conducted by the Assistant Director at the site. Our Company has filed a reply vide letter bearing No. BSCPL/KBG/Gen/01 dated June 27, 2012. The matter is currently pending before the Assistant Director of Mines and Geology, Vigilance, Ongole.

(v) Our Company received a show cause notice from the Assistant Director of Mines and Geology, Vigilance, Ongole bearing No. 4832/TP/2011 dated December 5, 2011 informing our Company that as a result of the inspection carried out, it was determined that excavation of gravel was being carried out by our Company outside the permitted area which is comprised in survey nos. 685/10, 685/11 and 685/12 in Mulaguntapadu, Bitragunta and further directing our Company to show cause as to why the penalty of ₹ 2.51 million ought not to be imposed under the APMMC Rules. Our Company filed a revision application dated November 11, 2011 under rules 35 of the of APMMC Rules, challenging the said notice on the ground that our Company had neither encroached on any land nor conducted any illegal quarrying operations and the same is currently pending.

(vi) Our Company received a show cause notice from the Assistant Director of Mines and Geology, Vigilance, Ongole bearing No. 6410/Q/2011, dated May 8, 2012 informing our Company that as a result of the inspection carried out, it was determined that our Company had encroached outside its leased area covering an extent of 16 acres in survey no. 519 in Sanampudi and survey no. 414 in Kanumella Village and therefore directing our Company to show cause as to why seniorage and penalty ought not be collected under the APMMC Rules. Our Company filed a reply dated May 31, 2012 clarifying that the said encroachment and excavation was mistakenly undertaken and that the same would be rectified at the earliest. The amount is currently not quantified. The matter is currently pending with the Assistant Director of Mines and Geology, Vigilance, Ongole, Andhra Pradesh.

Labour Dispute

(i) The Deputy Commissioner of Labour filed a suit bearing M.W. No. 57 of 2011 against our Company before the Joint Commissioner of Labour, Ranga Reddy Zone, Hyderabad, which is the authority under the Minimum Wages Act, 1948 ("**Minimum Wages Act**") stating that on an inspection conducted at our Company's crusher site on April 29, 2011, it was found that the wages being paid by our Company to its employees were below the statutory requirement under the Minimum Wages Act and the G.O.Ms. No. 5 dated February 14, 2008. The total liability as calculated by the Deputy Commissioner of Labour was ₹ 0.28 million being the difference amount to be paid from October 1, 2010 to March 31, 2011. Our Company filed its reply on December 25, 2011.The matter is currently pending before the Joint Commissioner of Labour, Ranga Reddy Zone, Hyderabad.

(ii) Our Company received an order dated February 10, 2012 passed by the Assessing Officer under the Building and Other Construction Worker's Welfare Cess Act, 1996 (the "**Cess Act**") in assessment case No. 03/BOC/11 stating that our Company was liable to pay labour cess under the Cess Act amounting to ₹ 30.26 million and to further submit the returns under section 4(2) of the Cess Act. Subsequently, our Company filed writ petition bearing W.P. No. 15 of 2012 against the State of Chhattisgarh through the Secretary, Department of Labour, Assistant Labour Commissioner (Assessing Officer under the Cess Act), and Chief Executive Officer, Naya Raipur Development Authority, before the High Court of Chhattisgarh at Bilaspur against the order dated February 10, 2012 issued by the Assistant Labour Commissioner, Department of Labour, Raipur. The matter is currently pending before the High Court of Chhattisgarh at Bilaspur.

Criminal Litigation

(i) Rana Pratap Singh filed a criminal complaint bearing No. 562 of 2008 against Sri Krishnaiah, projects incharge of our Company and others before the Court of the Second Judicial Magistrate, Gorakhpur, Uttar Pradesh in relation to the issuance of dishonoured cheque amounting ₹ 1.27 million issued by Sri Krishnaiah, projects incharge of our Company and others for the payment of rent of vehicles to Rana Pratap Singh. The complaint was filed under section 138 of the Negotiable Instruments Act, 1881 and sections 420, 467, 468 and 471 of Indian Penal Code. Sri Krishnaiah, projects incharge of our Company and others were held guilty and summons was issued to them demanding their appearance before the Court of the Second Judicial Magistrate, Gorakhpur on August 14, 2008. However, Sri Krishnaiah, projects incharge of our Company and others filed a criminal misc application No. 21002 of 2008 dated August 21, 2008 against the State of Uttar Pradesh, Rana Pratap Singh and Karan Singh Chauhan, sub-contractor before the High Court of Uttar Pradesh against the said summons order. Pursuant to which the High Court of Uttar Pradesh passed an interim order for listing of the criminal misc application No. 21002 of 2008 before the regular bench. Further, a stay order was passed directing that no further proceedings of the complaint bearing No. 562 of 2008 would be made until the next date of listing of the case. Rana Pratap Singh filed a counter claim before the High Court of Allahabad claiming vacation of the impugned ex-party interim order. The matters are currently pending before the High Court of Allahabad.

(ii) Ashok Kumar filed a criminal complaint bearing No. 2752 of 2009 against Venkatapati Raju and certain others, employees of our Company before the Court of Chief Judicial Magistrate, Sant Kabir Nagar, Uttar Pradesh in relation to the construction of a four lane road. The case was filed under sections 504 and 506 of Indian Penal Code. Ashok Kumar alleged that our Company was causing air and sound pollution in the area by dumping waste in front of the work shop and buffer godown and thus causing several diseases to the people living there. Further, he claimed that various accidents were also taking place due to the same reason. Therefore, the Chief Judicial Magistrate Sant Kabir Nagar, Uttar Pradesh issued a summoning order dated August 17, 2010 against Venkatapati Raju and the others. Subsequently, a criminal miscellaneous application bearing No. 33121 of 2010 was filed by Venkatapati Raju against the State of Uttar Pradesh and Ashok Kumar Singh before the High Court of Uttar Pradesh under section 482 of Criminal Procedure Code seeking to quash the criminal complaint bearing No. 2752 of 2009 and the impugned summoning order dated August 17, 2010. The matter is currently pending before the High Court of Uttar Pradesh.

Tax Litigation/ Orders or Notices received by our Company

Entry Tax

(i) Our Company received a show cause notice dated August 18, 2009 issued by the Commercial Tax Officer ("**CTO**"), Khairtabad, Hyderabad regarding liability of entry tax under the Andhra Pradesh Tax on Entry of Motor Vehicles into Local Areas Act, 1996 ("**AP Entry Tax Act**"). The show cause notice was issued with respect to the purchase of heavy earth moving equipment (used in mines) from M/s. BEML Limited and M/s. L&T Komastu of Mysore (Bangalore) respectively. The total value of machinery was ₹ 221.14 million and entry tax at 12.50% was levied. Subsequently, the CTO carried out the annual assessment for Financial Year 2007-2008 and issued a demand notice dated October 9, 2009 for an amount of ₹ 27.64 million after rejecting the written objections of our Company. A writ petition bearing W.P. No. 27968 of 2009 was filed by our Company before the High Court of Andhra Pradesh against the CTO, Khairtabad, the Commissioner of Commercial Taxes and the State of Andhra Pradesh through the Principal Secretary, Commercial Taxes, challenging the (i) order dated October 9, 2010, (ii) the constitutional validity of the AP Entry Tax Act, and (iii) the Commissioner Circular dated August 24, 2008. Subsequently, an interim stay order dated December 12, 2009 was obtained with a condition imposed on our Company to deposit 50.00% of the demand amount. Our Company intimated the same to office of the CTO and deposited an amount of ₹ 13.82 million to the Commercial Tax Department under protest. The High Court of Andhra Pradesh vide order dated October 17, 2011 set aside the impugned assessment orders and directed assessing officers for proceeding to consider the contentions afresh and if necessary to obtain an opinion from any Gazetted

Officer of Transport Department. The matter is currently pending before the concerned assessing officers.

(ii) Our Company received a show cause notice dated December 20, 2010 from the CTO, Khairtabad, Hyderabad with respect to a liability of entry tax under the AP Entry Tax Act. The show cause notice was with respect to the purchase of machinery from M/s. JCB India Limited Ballabgarh-Haryana for use at work sites in the State of Andhra Pradesh. Our Company filed their objections vide letter dated December 31, 2010. The CTO, Khairtabad, Hyderabad issued an order for Financial Year 2008-2009 by rejecting the objections filed by our Company and demanded entry tax for an amount of ₹ 0.19 million vide demand order dated January 22, 2011. Against the said order, our Company deposited an amount of ₹ 0.19 million under protest to the CTO, Khairtabad, Hyderabad, taking recourse to the order passed in W.P. No. 27968 o 2009 (as disclosed in serial (i) above).

(iii) Our Company received demand notices with respect to a short fall in the payment of tax amounting to ₹ 40.38 million, ₹ 21.53 million and ₹ 9.92 million for the Financial Years 2007-2008 and 2008-2009 and the period from April 1, 2009 to September 30, 2009 respectively on account of enhanced rate of tax under the Madhya Pradesh Entry of Goods into Local Areas Act, 1976 on high speed diesel oil. Our Company discharged the entry tax liability at 1.00% on the purchases made amounting to ₹ 189.42 million, ₹ 114.46 million and ₹ 9.92 million for the Financial Years 2007-2008 and 2008-2009 and the period from April 1, 2009 to September 30, 2009 respectively from Uttar Pradesh for execution of road works in Madhya Pradesh which was aided by funds from Asian Development Bank. The assessing officer stated that the entry tax payable was at the rate of 27.00% instead of 1.00%, thereby resulting in a shortfall in the payment of tax. Against the said orders, our Company filed a writ petition bearing No. 14160 of 2008 before the High Court of Madhya Pradesh and the same was dismissed vide order dated August 10, 2010. Thereafter our Company filed a petition for special leave to appeal bearing SLP (Civil) No. 26219 of 2010 before the Supreme Court of India. The Supreme Court, vide orders dated October 1, 2010 and December 6, 2010 granted interim relief whereby a stay was granted till the next date of hearing. Our Company had already paid an amount of ₹ 17.50 million under protest to the department. In view of this, the order further directed our Company to submit a bank guarantee for balance amount due, which was complied with. The SLP (Civil) No. 26219 of 2010 has been converted into Civil Appeal No. 3933 of 2011 and is currently pending before the Supreme Court of India.

(iv) With respect of the entry tax demand as referred to serial no. (iii) disclosed above, our Company received demand notices towards penalty of ₹ 141.34 million, ₹ 75.35 million and ₹ 34.71 million for the Financial Years 2007-2008 and 2008-2009 and for the period from April 1, 2009 to September 30, 2009 respectively. Against the said demand notices, our Company filed writ petition bearing No. 12250 of 2010 against State of Madhya Pradesh through Secretary, Department of Commercial Tax, Commissioner of Commercial Tax, Indore, Assistant Commissioner of Commercial Tax, Sagar before the High Court of Madhya Pradesh which is currently pending. The High Court of Madhya Pradesh has vide order dated August 11, 2011 stayed the recovery of the penalty amount subject to our Company depositing a bank guarantee of the penalty amount. The matter is currently pending before the High Court of Madhya Pradesh.

(v) In continuation of entry tax demands made, as referred to in serial no. (iii) disclosed above, our Company received a demand notice of ₹ 4.98 million dated December 6, 2010 for payment of tax on high speed diesel oil at the rate of 27.00% for the period from October 1, 2009 to March 31, 2010. Against the demand notice, our Company filed a writ petition bearing W.P. No.3673 of 2011 against State of Madhya Pradesh through Secretary, Department of Commercial Tax, Commissioner of Commercial Tax, Indore, Assistant Commissioner of Commercial Tax, Sagar, CTO cum Additional Tahsildar, Sagar. The High Court of Madhya Pradesh vide order dated February 28, 2011 granted a stay and further directed our Company to deposit 25.00% of the claim amount and further submit a bank guarantee for the balance amounts. Our Company paid an amount of ₹ 1.25 million under protest and submitted a bank guarantee for ₹ 3.74 million. The case is currently pending before the High Court of Madhya Pradesh.

(vi) The demand notices issued against our Company, as referred to serial no. (iii), (iv) and (v) were made by the department relying on the notification bearing No. FA-3-195-05-1-V(14) dated April 1, 2007, which sought to levy entry tax at 27.00% on diesel bought from outside the state as opposed to the entry tax at 1.00% which was being paid by our Company vide notification bearing Nos. 79 and 80 dated September

30, 1997. Our Company filed writ petition bearing W.P. No. 2813 of 2008 before High Court of Madhya Pradesh, against the State of Madhya Pradesh through Secretary, Department of Commercial Tax, Commissioner of Commercial Tax, Indore, Assistant Commissioner of Commercial Tax, Sagar, CTO cum Additional Tahsildar, Sagar, challenging the validity of notification dated April 1, 2007 on which department relied and issued a notice, on the ground that the same was inoperative and *non est* and in violation of article 301 of the Constitution of India. The High Court of Madhya Pradesh vide order dated October 23, 2009 disposed off the petition on the ground that the same was infructuous. Against the order passed by the High Court of Madhya Pradesh, our Company filed special leave petition bearing SLP (Civil) No.11966 of 2010 before the Supreme Court of India. The said petition has now been converted into civil appeal No. 23836 of 2010 and is currently pending before the Supreme Court of India.

(vii) The CTO levied an entry tax, interest and penalty amounting to ₹ 0.95 million for the Financial Year 2002-2003 under the Rajasthan Tax on Entry of Motor Vehicles into Local Areas Act and passed an order dated November 30, 2005. Our Company filed an appeal vide No.13/ET/06-07 before Deputy Commissioner (Appeals) and same was disposed in favour of our Company vide order dated March 18, 2010. The department filed an appeal bearing No. 2188 of 2010 against the said order, which is currently pending before the Rajasthan Tax Board, Ajmer.

(viii) Materials and vehicle belonging to our Company were seized by the check post inspector, Bhilwara and an order was issued dated November 30, 2006 directing payment of interest and penalty for ₹ 0.22 million as the said material transported was without an accompanying waybill (Form ST-18-C). The Deputy Commissioner (Appeals), Commercial Tax, Bhilwara confirmed the same vide order No. 127/0607 dated February 16, 2010. Against the order of the Deputy Commissioner (Appeals), our Company filed an appeal bearing No. 1609 of 2011 before Rajasthan Tax Board, Ajmer dated August 9, 2011. The appeal is currently pending before the Rajasthan Tax Board, Ajmer.

Sales Tax

(ix) The CTO, Siliguri carried out an assessment for the Financial Year 2007-2008 and issued demand notice to our Company dated June 30, 2010 for an amount of ₹ 36.48 million. Our Company filed an appeal dated August 31, 2010 before the Senior Joint Commissioner (Sales Tax-Midnapore Circle) against the said order and the same was disposed in favour of the department vide order dated December 28, 2011. Our company filed appeal before West Bengal Commercial Tax Appellate and Revisional Board, on June 16, 2012, which is currently pending.

(x) The CTO, Siliguri carried out an assessment for the Financial Year 2008-2009 and issued a demand notice dated March 10, 2011 for an amount of ₹17.82 million. Our Company filed appeal dated April 25, 2011 before the Senior Joint Commissioner (Sales Tax-Midnapore Circle) against the order stating that during the assessment proceedings, the CTO, Siliguri had not taken into account certain allowable deductions and the adjustment of input credits amounting to ₹ 8.63 million and had carried forward the same to the succeeding year, during which there was no turnover due to completion of the project and same is currently pending.

(xi) Our Company received a demand notice dated June 8, 2009 issued by the Assistant Commissioner, Ariyalur Assessment Circle under the Tamil Nadu Government Sales Tax Act, 1959 ("**TNGST Act**") read with Tamil Nadu Additional Sales Tax Act, 1970 based on the turnover for Financial Year 2005-2006 assessed at ₹ 177.27 million. The tax department claimed that though the taxable turnover exceeded ₹ 100.00 million, our Company had not been assessed for tax at 1.00% under section 16(1)(a)of TNGST Act. A demand notice was therefore sent for levying additional tax amounting to ₹ 1.77 million. Our Company replied on June 19, 2009 accepting the additional amount of ₹ 1.77 million. Subsequently our Company received a demand notice dated April 5, 2010 issued by the Assistant Commissioner Commercial Tax wherein the assessment was revised to ₹ 1.77 million and penalty of ₹ 2.66 million (i.e. at 150.00% of additional tax liability) was imposed. Our Company filed an appeal bearing A.P. No. 17 of 2010 before the Deputy Commissioner, Commercial Taxes (FAC) Trichy against imposition of both additional tax due and penalty. The said appeal was disposed vide order dated October 26, 2010 which disallowed the imposition of additional tax but allowed the imposition of penalty. The additional tax due was adjusted against the refund due from the department. The Department filed an appeal to the Appellate Deputy Commissioner Commercial Taxes, (FAC), Madurai challenging the order on penalty passed by the Deputy Commissioner, Trichy and the same is currently pending.

(xii) Our Company received a demand notice dated June 8, 2009 issued by the Assistant Commissioner, Ariyalur Assessment Circle under the TNGST Act, read with Tamil Nadu Additional Sales Tax Act, 1970 based on the turnover for Financial Year 2006-2007 assessed at ₹ 266.10 million. The department claimed that though taxable turnover exceeded ₹ 250.00 million, our Company had not been assessed to tax at 1.50% under of the Tamil Nadu Additional Sales Tax Act, 1970. The demand notice was issued for additional tax of ₹ 3.20 million and penalty of ₹ 5.99 million (i.e; at 150.00% of additional tax liability). Against this, our Company filed an appeal bearing A.P. No. 18 of 2010 before the Deputy Commissioner Commercial Taxes (FAC) Trichy against the imposition of both additional tax and penalty. The said appeal was disposed vide order dated October 26, 2010 which disallowed the imposition of additional tax but allowed the imposition of penalty. The additional tax due was adjusted against the refund due from the department. The department filed an appeal to Appellate Deputy Commissioner Commercial Taxes, (FAC), Madurai challenging the order on penalty passed by the Deputy Commissioner, Trichy, which is currently pending.

(xiii) Our Company filed a petition bearing W.P. No. 2874 of 2009 against the State of Rajasthan through Commissioner, Commercial Taxes, Additional Commissioner (VAT and IT), Commercial Taxes, Assistant Commissioner/Commercial Taxes Officer, Works Contract and Leasing Taxes, Bhilwara before the High Court of Rajasthan, Jodhpur Bench, against the revised order of the CTO, Bhilwara, dated June 30, 2006. The CTO had previously levied surcharge on EC fee deleted from demand notice and allowed a refund of ₹ 4.85 million vide order dated March 30, 2006 for the assessment year 2003-2004. The refund was stayed by the Additional Commissioner on the ground that a similar case was pending before the High Court of Rajasthan. Against this, our Company filed the said writ petition. The matter is currently pending before the High Court of Rajasthan, Jodhpur Bench.

(xiv) Our Company received a demand order dated September 28, 2002 for the assessment carried out for the Financial Year 2001-2002 from the CTO seeking to levy surcharge amounting to ₹ 0.04 million on EC. Our Company filed an appeal against the said demand before the Commercial Tax Department (Appeals), Rajasthan, wherein vide order dated January 1, 2008, the appeal filed by our Company was allowed. Against this, the CTO filed an appeal bearing No. 1309 of 2008 before the Rajasthan Tax Board, wherein vide order dated November 14, 2008, the Rajasthan Tax Board passed the order in favour of our Company stating that the levy of surcharge amounting to ₹ 0.04 million on EC fee was illegal and therefore directed a refund of ₹ 0.04 million to our Company. Against this, the Commercial Tax Department, Bhilwara filed a petition bearing W.P. No. 21 of 2009 against our Company before the High Court of Rajasthan at Jodhpur Bench, which is currently pending.

(xv) Our Company purchased machinery from M/s. Ashok Leyland-Chennai against 'C' form for use in the State of Chhattisgarh. The CTO, Raipur issued a notice on February 22, 2010 objecting for issue of 'C' form against said machinery and asked our Company to pay penalty of ₹ 4.14 million. Against the said notice, our Company filed appeal before Deputy Commissioner of Tax (Appeals), Raipur on April 17, 2010 and paid ₹ 1.04 million under protest. The said appeal was disposed by giving relief of penalty to the extent of ₹ 1.38 million vide order dated December 9, 2011 and our Company was ordered to pay difference tax of ₹ 2.76 million. Against the said order our Company filed an appeal before the Chairman (Commercial Tax) on March 13, 2012 by paying an amount of ₹ 0.35 million under protest. The appeal is currently pending before the Chairman, Chhattisgarh Commercial Tax Tribunal, Raipur.

Value Added Tax

(xvi) The assessing authority, under the Uttar Pradesh Value Added Tax Act has carried out assessments for the Financial Years 2009-2010 and 2011-2012 and issued notices both dated April 30, 2012 whereby it levied differential tax, amounting to ₹ 4.58 million and ₹ 0.85 million and against our Company on the ground that during the execution of the works contracted, 'hot mix' and 'concrete mix' were being transferred and not grit and bitumen as claimed by our Company. Due to this, difference tax was levied and was adjusted against refund due to our Company. Our Company filed an appeal before the Additional Commissioner-G-II (Appeals) on June 14, 2012 against the assessment orders. The appeals are currently pending.

(xvii) The Assistant Commissioner of Commercial Taxes, Ariyalur, vide assessment order dated November 16, 2010, levied penalties of ₹ 0.52 million and ₹ 0.05 million for the assessment carried out for the Financial Years 2006-2007 and 2007-2008, against our Company for alleged suppression of turnover on account of additions towards transportation charges and deemed sales value of flat housing project. Our Company filed an appeal before the Appellate Deputy Commissioner of Commercial Taxes on December 03, 2010 and the same is currently pending.

(xviii) Our Company received a notice dated May 12, 2010 issued the Commercial Tax Officer for the assessment carried out for the Financial Year 2008-2009 and levied an amount of ₹ 5.24 million. our Company filed an appeal against the assessment order dated May 12, 2009 before the Additional Commissioner Grade II (Appeals), Commercial Taxes, Basti, wherein vide order dated December 26, 2011, the amount levied on our Company was reduced by ₹ 3.34 million. Against this, the Department filed an appeal before the Commercial Tax Tribunal, wherein vide order dated June 6, 2012 the appeal was dismissed. The Department has filed a revision application bearing No. 894 of 2012 against the order dated June 6, 2012 which is currently pending before the High Court of Uttar Pradesh.

(xix) Our Company received a show cause notice dated July 25, 2012 from the CTO, Khairtabad asking our Company to show cause as to why a tax of ₹ 14.64 million towards materials purchased ought not to be imposed. Subsequently, our Company received an order dated August 21, 2012 issued by the CTO, Khairtabad with respect to the assessment carried out for the Financial Year 2011-2012 and confirmed the amount of ₹ 14.64 million as mentioned in the show cause notice. Against this, our Company filed an appeal before the Appellate Deputy Commissioner (Commercial Taxes) vide appeal dated October 17, 2012 challenging the demand order dated August 21, 2012 on the ground that the assessment order was without giving exemption to materials purchased against 'C' form from the taxable turnover as per section 4(7)(g) of Andhra Pradesh Value Added Tax Act, 2005. Our Company deposited an amount of ₹ 14.64 million under protest. The appeal is currently pending before the Appellate Deputy Commissioner (Commercial Taxes).

(xx) Our Company received a show cause notice dated August 21, 2012 issued by the CTO, Khairtabad asking our Company to show cause as to why a penalty of ₹ 3.66 million towards a shortfall in the tax amount payable ought not to be imposed. The CTO also issued a demand notice dated September 28, 2012 reiterating the show cause notice and levying the penalty on our Company on the ground that as per section 53(1)(i)(ii) of Andhra Pradesh Value Added Tax Act, 2005, a penalty of 25.00% of tax liability was to be levied. Our Company in turn filed an appeal bearing AA No. 43324 of 2012, dated October 17, 2012 against the penalty order issued by CTO for Financial Year 2011-2012 before the Appellate Deputy Commissioner (Commercial Tax) and also filed an application for stay. Our Company deposited an amount ₹ 0.46 million October 17, 2012 under protest. Vide order dated November 30, 2012, our Company's application for stay was rejected. Against this, our Company filed an appeal dated December 26, 2012 before the Additional Commissioner (Commercial Taxes) Legal, wherein vide order dated January 19, 2013, a stay was allowed subject to our Company depositing 50.00% of the disputed amount with the department. Our Company filed another appeal bearing No. 3503 of 2013 against the Additional Commissioner (Commercial Tax) Legal and the Appellate Deputy Commissioner (Commercial Tax) challenging the order dated January 19, 2013, which was dismissed vide order dated February 6, 2013 but granted our Company time to deposit the amount. The appeal bearing AA No. 43324 of 2012 is currently pending before the Appellate Deputy Commissioner (Commercial Tax).

Income Tax

(xxi) Our Company received a demand notice dated December 28, 2006 issued by the Assistant Commissioner of Income Tax demanding payment of an amount of ₹ 5.28 million towards by computing the booking of profits under section 115JB of the Income Tax Act with respect to the assessment carried out for the assessment year 2002-2003. Our Company filed an appeal against this demand notice before the Commissioner of Income Tax (Appeals), wherein vide order dated January 28, 2009, our Company's appeal was allowed and accordingly consequential order dated March 9, 2009 was issued by the Assistant Commissioner of Income Tax allowing a refund of ₹ 5.81 million. The Department of Income Tax filed an appeal before Income Tax Appellate Tribunal against the order dated March 9, 2009, and the Income Tax Appellate Tribunal has vide ex-parte order dated March 9, 2012 allowed the appeal in favour of the Department. Against the ex-parte order, our Company has filed a miscellaneous application dated November 7, 2012 before the Tax Appellate Tribunal and the same is currently pending.

Service Tax

(xxii) Service tax audit was conducted for the Financial Years 2009-2010 and 2010-2011 (and for the Financial Years 2011-2012 for the real estate division). Notice of observations was received by our Company vide letter bearing No. V/ST/V/17/2012-STA/Group V dated July 16, 2012 issued by the Superintendent Service Tax Audit Group V, with respect to non-payment service tax on construction of villas, short payment of service tax on construction of apartments, non-payment of service tax on supply of tangible goods services and non-payment of service tax on other miscellaneous services totally amounting to ₹ 142.50 million. The Additional Commissioner of Audit has vide letter dated July 19, 2012 confirmed the observations put forth on July 16, 2012 by the Superintendent Service Tax Audit Group V. Our Company replied to the said observations vide letter dated August 14, 2012 wherein it is stated that our Company has already paid ₹ 0.22 million inclusive of penalty and interest.

Custom Duty

(xxiii) Our Company purchased a second hand machinery viz, "Norberg G-Cone Secondary Cone Crusher: Model-GP200" from M/s. China Water Hydro Electric Corporation Harish Chandra India Limited (JV). The machinery was imported by availing conditional duty exemption of ₹ 3.57 million vide notification No. 21 of 2002. Subsequently our Company received a show cause notice dated January 24, 2013 issued to Bollineni Seenaiah, M/s. China Water Hydro Electric Corporation Harish Chandra India Limited (JV) and others alleging that there was a violation of post import compliances as specified in concern duty exemption notification and to show cause as to why customs duty of ₹ 3.57 million ought not to be imposed under sections 112A and 112B of the Customs Act, 1962.

Excise Duty

(xxiv) Our Company received summons bearing F.No IV (6) INV/RUI/07/2012/1 dated December 31, 2012 issued by the Senior Intelligence Officer, Directorate General of Central Excise Intelligence, Regional Unit, Indore, under section 14 of the Central Excise Act, 1944 and section 108 of the Customs Act for non-payment of excisesduty for the Financial Year 2007-2008 for purchase of machinery from M/s. Volvo India limited by allegedly violating the conditions of notification No. 108 of 95 as amended. Our Company has filed a reply in relation to the said summons. Our Company has replied vide letter dated January 3, 2010 seeking adjournment. Our Company received further summons on January 10, 2013, to which our Company replied vide letter dated January 12, 2013 requesting an extension of time to submit the information sought. Vide summons dated January 14, 2013 issued asking clarifications on information submitted and Company replied vide letter dated January 21, 2013. By a summons dated January 29, 2013 personal appearance on behalf of our Company was sought before the Senior Intelligence Officer, Directorate General of Central Excise Intelligence, Regional Unit, Indore, Madhya Pradesh on January 31, 2013.

Cases filed by our Company

Civil Litigation

(i) Our Company filed a revision petition being C.C.C.A. No. 172 of 2010 before the High Court of Andhra Pradesh, against the order dated February 2, 2007 passed by the XIV Additional Chief Judge (Fast Track Court) Civil Court, Hyderabad wherein, our Company vide O.S. No. 369 of 2002 against the Government of Andhra Pradesh (through the Chief Engineer, R&B, Andhra Pradesh Hazard Mitigation & Emergency Cyclone Rehabilitation Project), Superintendent Engineer and the Executive Engineer, R&B, Andhra Pradesh Hazard Mitigation & Emergency Cyclone Rehabilitation Project for a claim towards price escalation valued as per their agreement and interest applicable for delay in releasing retention money for the works done of improvement of the Anantapur- Palamaneru Road from km 38 to km 69 in Anantapur District. The amount claimed as price escalation is ₹ 66.86 million. Our Company has filed an application for the condonation of delay bearing No. C.C.C.A.M.P. No. 14331 of 2007. The matter is pending before the High Court of Andhra Pradesh.

(ii) Our Company filed a writ petition bearing W.P. No. 11895 of 2011 before the High Court of Andhra Pradesh against the Government of Andhra Pradesh (through the Secretary, Department of Industry and Commerce), the Director of Mines and Geology, the District Collector, Prakasam, the Deputy Director of Mines & Geology, Guntur and the Assistant Director of Mines and Geology, Ongole challenging the notice being No. 9315/Q/2011 issued by the Assistant Director of Mines & Geology ordering our Company to stop the quarry lease operation on the plots purchased by them and for which pattas had been mutated. The notice stated that the revenue records had been obtained without seeking the prior approval of the District Collector and therefore the quarry operations were ordered to be stopped. Against this, our Company filed the said petition, which is currently pending before the High Court of Andhra Pradesh. The High Court of Andhra Pradesh has vide order dated April 27, 2012 allowed our Company to continue quarrying operations.

Criminal Litigation

(i) A. Srinivasa Reddy, employee of our Company filed a First Information Report ("**FIR**") registered as No. 137 of 2010 in the Police Station, Nilgiri, Balsore claiming that on June 9, 2010, our Company's vehicle bearing registration No. OR 09F0961 was stolen. Our Company has also vide letter dated June 10, 2010 intimated to the police station about the said theft. The matter is under investigation at the Police Station, Nilgiri, Balsore.

Arbitration

(i) Our Company was awarded an amount of ₹ 3,709.28 million with respect to a contract entered into between NHAI and our Company on May 25, 2001 for the construction and widening of 4/6 lanes and upgrading of the existing 2 lane road of NH-60 in the State of West Bengal from Laxmannath (53.43 km) to Kharagpur (119.28 km) by the Dispute Review Board ("**DRB**") against NHAI. The disputes that were referred to the DRB were with respect to (a) non-payment of price escalation due to our Company in terms of the contract for the period upto June 2005; (b) losses suffered due to arbitrary recovery of mobilization advance from the interim payment certificates in contravention to the contract; (c) payment of additional incidence of royalty and cess charges in respect of various minerals; (d) losses suffered due to excess recovery of retention money from interim payment certificates; and (e) payment for supply of furniture for engineer office and project director's office at Kharagpur. The recommendations given by DRB dated February 27, 2005 with respect to dispute nos. (a), (b) and (d) above, were not acceptable to our Company, and therefore it referred the same to the Arbitral Tribunal ("**AT**") on March 16, 2005. Similarly, NHAI did not accept the recommendations given by the DRB in relation to dispute Nos. (a), (c), (d) and (e) above and referred the same to the AT on March 18, 2005. The AT decided in favour of our Company and vide award dated January 15, 2008 and modified on March 1, 2008 awarded our Company with respect to claim (a) an amount to the extent of ₹ 567.71 million with interest at the rate of 8.00% p.a.; and (c) an amount to the extent of ₹ 52.00 million with 10.00% interest p.a. compounding monthly up to the date of completion of work and *pendente lite* interest at the rate of 8.00% p.a. upto the date of award qualified as ₹ 12.54 million. Further, an amount of ₹ 0.18 million was also awarded towards the cost of arbitration. Aggrieved by this, NHAI filed an appeal bearing No. 50 of 2008 under section 34 of the Arbitration and Conciliation Act, 1996 against our Company before the Fourth Court of Additional District Judge, Paschim Medinipur, West Bengal seeking dismissal of the aforementioned award. The court, vide its order dated April 26, 2011 decided not to interfere with the findings of the AT and hence dismissed the said appeal. NHAI has approached the High Court of Calcutta against the order and the matter is currently pending before the High Court of Calcutta.

(ii) Our Company referred a dispute against NHAI on July 1, 2004 before the DRB with respect to a contract entered into between NHAI and our Company on May 25, 2001for the construction and widening of 4/6 lanes and upgrading of the existing 2 lane road of NH-60 in the State of West Bengal from Laxmannath

(53.43 km) to Kharagpur (119.28 km). The disputes that were referred to the DRB were with respect to (a) construction of canal bridge and non-payment of varied work; (b) payment for additional/infructuous expenses incurred and losses suffered during execution of work for the period from inception to end of February 2004; (c) revised rate of dry lean concrete due to deletion of separation membrane; (d) non-payment of embankment construction (bill of quantities item 2.02) fill from the base levels after cleaning and grubbing to original ground levels; (e) revised rate of embankment contraction (bill of quantities item 2.02) for the quantity varied beyond 125.00% bill of quantities quantity; (f) payment for additional item of work of removal of tree roots; and (g) reimbursement of additional costs incurred on account of change in legislation in respect of refund of excise duty as provided in export and import policy under deemed export benefits. The recommendations given by DRB dated May 12, 2005 with respect to dispute nos. (a), (b) and (e) for a total amount of ₹ 182.80 million were not acceptable to our Company, and therefore, it referred the same to the AT on September 27, 2006 claiming a total amount of ₹ 691,67 million. Similarly, NHAI did not accept the recommendations given by the DRB in relation to dispute Nos. (c), (d), (f) and (g) and referred the same to the said AT on August 9, 2007. The matters are currently pending before the AT.

(iii) NHAI filed a suit bearing No. 89 of 2010 against our Company before the District Judge, Midnapore, Paschin Medinipur, West Bengal on August 2, 2010 challenging the arbitral award dated May 3, 2010 passed by the AT with respect to a contract entered into between our Company and NHAI on May 25, 2001 for the construction of widening of 4/6 lanes and upgrading of the existing 2 lane road in NH-60 in the State of West Bengal from Laxmannath (53.43 km) to Kharagpur (119.28 km). The dispute before the AT was with respect to the work comprised in the bill of quantities. The terms relating to payment of escalation on the variation items was already agreed to between both parties and therefore not decided upon by the AT. Our Company filed an application before the AT seeking to include payment on escalation of the variation items in the award passed, which was rejected by the AT vide award dated January 15, 2008 and amended vide award dated March 1, 2008. However NHAI refused to pay the escalation on the ground that our Company had claimed payment for variations as a composite amount consisting of items mentioned in the bill of quantities as well as the non- bill of quantities items, whereas as per the contract, our Company was entitled for variations only on the items mentioned in the bill of quantities items. Our Company again referred the dispute to the AT and the AT vide award dated May 3, 2010 granted to our Company an amount of ₹ 19.62 million towards price escalation along with a pre suit interest amounting to ₹ 6.74 million and *pendente lite* interest of ₹ 1.05 million. Therefore, NHAI filed the said suit challenging the award and contending that the AT had wrongly rejected its contention without appreciating the terms of the contract entered into by and between NHAI and our Company. The suit was filed under section 34 of the Arbitration & Conciliation Act, 1996. The matter is currently pending before the District Judge, Midnapore, Paschin Medinipur, West Bengal.

(iv) Our Company referred a dispute against NHAI on May 4, 2009, before the DRB claiming compensation with respect to a contract entered into between NHAI and our Company for the construction and widening four laning from (208 km to 251.70 km) Ayodhya-Gorakhpur section of NH-28 in Uttar Pradesh. During the execution of the work, the following disputes had arisen between NHAI and our Company, which were referred to the DRB (a) non-payment for carrying out initial tests and routine tests for bored cast in site pile; (b) re-interpretation of the provisions of sub clause 70.3 of contract after 19th interim payment certificate; (c) attempting to effect a procedure contrary to the established and correct procedure understood, agreed and implemented in 19 interim payment certificates for determination of certain components in price adjustment calculations; and (d) imposing illegal recovery of the payments due to our Company. Our Company made a claim amounting to ₹ 63.60 million with interest of 18.00% p.a., compounded monthly from the date of award to the date of payment. NHAI filed a counter claim against our Company for: (a) a sum of ₹ 294.40 million towards the recovery amount on account of excess payment due to incorrect application of price adjustment formulae, received by our Company; (b) interest at the rate of 18.00% p.a. on the said amount from the date of payment till the date of filing of counterclaim; and (c) a sum of ₹ 35.00 million be allowed to be retained by NHAI towards recovery amount on account of excess payment due to incorrect application of price adjustment formulae, received by our Company in interim payment certificate bearing nos. 1 to 37 except 20 and 21. The recommendations given by DRB dated December 10, 2009 with respect to dispute no. (a) amounting to ₹ 58.70 million was not acceptable to our Company and the same was referred to the AT. Similarly, NHAI did not accept the recommendations given by DRB in relation to dispute no. (b) and the same was referred to the aforementioned AT on December 15, 2009. The matter is currently pending before the AT.

(v) Our Company referred a dispute against NHAI dated March 22, 2011 before the DRB in relation to a contract entered into between NHAI and our Company for the construction of four laning from 208 km to 251.70 km of Ayodhya-Gorakhpur section of NH-28 in Uttar Pradesh. Our Company claimed that they were entitled to the reimbursement of additional cost incurred on account of labour welfare cess as per sub clause 70.8 of the contract by reason of a subsequent legislation which laid own that 1.00% cess was payable on or after February 4, 2009 after base rate amounting to ₹ 19.26 million. The DRB vide letter dated May 20, 2011 recommended that the Building And Other Construction Workers (Regulation Of Employment And Conditions Of Service) Act, 1996 ("**BOCW Act**"), the Cess Act, Central Cess Rules, 1998 and State rules made thereunder were in force as the Government of Uttar Pradesh had issued a notification for the implementation of these regulations on February 4, 2009. The order for the implementation of the law to levy and deduct labour cess at the rate of 1.00% of the cost incurred by our Company towards the Uttar Pradesh Welfare Board Fund was passed on February 4, 2009 i.e. after the 28th day prior to the last day of submission of the tender. This therefore resulted in a change of law in Uttar Pradesh, attracting sub clause 70.8 of the contract, which cess reduction resulted in additional cost to the contract price. According to sub clause 70.8 of the contract, NHAI ought to add the extra amount levied and collected as cess for the Uttar Pradesh State Welfare Board Fund, to the bills of our Company, as the said amounts ought to be reimbursed to our Company. The DRB therefore directed reimbursement of the said additional cost and payment of the same within two months of the recommendation. NHAI has referred the matter to the AT, which is currently pending.

(vi) Our Company referred a dispute against NHAI dated March 22, 2011 before the DRB in relation to a contract entered into between NHAI and our Company for the construction of four laning from 208 km to 251.70 km of Ayodhya-Gorakhpur section of NH-28 in Uttar Pradesh entered between the parties. Our Company has claimed for the payment of ₹ 735.45 million along with interest of 12.00% p.a. compounded monthly from the date it becomes payable till the date of payment, as an additional cost incurred/losses suffered by our Company in the extended stay period due to prolongation of the contract on account of delays and defaults not attributable to them. The DRB vide letter dated May 21, 2011 recommended that our Company was entitled to the compensation for the additional cost incurred due to NHAI's delay and interest thereon as per the contract. NHAI preferred an appeal to AT dated November 02, 2011 which is currently pending.

(vii) Our Company referred a dispute to the DRB against NHAI in relation to a contract entered into between NHAI and our Company for the construction of four laning from 208 km to 251.70 km of Ayodhya-Gorakhpur section of NH-28 in Uttar Pradesh. Our Company claimed sand cover over the wall to a certain portions and claimed extra payment aggregating to ₹ 6.75 million for the same. The DRB vide letter dated February 15, 2011 recommended the payment of the same. NHAI preferred an appeal to the AT on September 22, 2011 and the same is currently pending.

(viii) Our Company referred a dispute against NHAI before the DRB in relation to a contract entered into between NHAI and our Company for the construction of four laning from 208 km to 251.70 km of Ayodhya-Gorakhpur section of NH-28 in Uttar Pradesh. Our Company claimed that during detailed geotechnical investigations for design of approaches undertaken by the engineer, it was observed that the site bearing capacity was too low to undertake load of embankment beyond 5 cm height and therefore it was concluded that sub soil utilization was required with a specialized method. Our Company claimed an extra amount aggregating to ₹ 44.98 million. The DRB vide letter dated February 15, 2011 recommended the payment of the same. NHAI has referred the same for arbitration to the AT on dated September 22, 2011.

(ix) Our Company referred a dispute dated November, 27, 2006 against NHAI before the DRB in relation to the dispute arising out of a contract dated March 1, 2006, entered into between the NHAI and our Company for widening and strengthening of existing national highway from two lane to four lane from 551.00 km to 526.00 km of Siliguri to Islampur section of NH-31 in West Bengal. During the execution of the work, following disputes had arisen between NHAI and our Company, which were referred to the DRB (a) dispute regarding embankment protection by providing sheet piling; (b) dispute regarding using polymer modified bitumen in bituminous concrete work; (c) dispute regarding construction of truck terminal pavement with pavement quality concrete; (d) dispute regarding steel liner for pile foundation in road over bridge at 528 km request for extra payment; and (e) dispute regarding deduction towards labour cess. Our Company claimed a total amount of ₹ 116.24 million with interest at the rate of 10.00% p.a. on the sums found due and payable from the date each sum become payable till the date of award as furnished in the contract and from the date of award till the date of actual payment interest at the rate of 18.00% p.a., which the DRB had allowed vide letter dated December 17, 2008 with respect to claim regarding deduction of labour cess; letter dated March 10, 2009 with respect to claim towards use of polymer modified bitumen in bitumen concrete work and construction of truck terminal pavement and letter dated June 17, 2009 with respect to the claim regarding steel liners for pile foundation. As the recommendations of DRB were not acceptable, NHAI preferred an appeal to the AT dated on March, 02 2010 seeking quashing of the impugned recommendation. The matter is currently pending before the AT.

(x) Our Company referred a dispute dated November 27, 2006 against NHAI before the DRB in relation to the dispute arising out of a contract dated March 1, 2006, entered into between NHAI and our Company for the execution of the work of widening and strengthening of existing national highway from two lane to four lane from 551.00 km to 526.00 km of Siliguri to Islampur section of NH-31 in West Bengal. In accordance with the conditions of clause 67 of the contract agreement, our Company claimed that the engineer had recommended a provisional rate for each of the varied items but certified only 75.00% of the amount based on the recommended rate for each of these items. NHAI claimed that the engineer had certified all amounts for all varied terms and NHAI had paid the sums without holding up any amount from the certified amounts by the engineer and therefore, our Company was not entitled for payment of interest or any amount of the varied claims till the rates are accepted by the competent authority of NHAI. Our Company has claimed an amount of ₹ 6.11 million towards adjustment of payment of 25.00% of the varied items and ₹ 214.67 million towards price adjustment based on the rates decided by the engineer. The total claim therefore is ₹ 220.78 million. The DRB in its letter dated February 1, 2010, recommended that the fixed rates for varied items by the engineer should be accepted by the NHAI and vide letter dated April 17, 2010 accepted that the claim of our Company towards price adjustment. The DRB also noted that the engineer should fix the final rates for ultimate pricing and also the provisional rates for interim payment certificates for all the varied items where contractual procedure has not been followed. NHAI was asked to finalize the rates of varied items within 90 days of the order. NHAI preferred an appeal to AT dated May 11, 2011 and the same is currently pending.

(xi) Our Company referred a dispute vide letter bearing No. RIF/MP/C-7F.NO-116/BM/10/2336 dated December 31, 2009 against NHAI before the Dispute Adjudication Board ("**DAB**") in relation to a contract for the construction of four laning of Jhansi – Lakhandon section from 255 km to 297 km (up to end of grade-separator at Rajmarg Chauraha) on NH-26 in the State of Madhya Pradesh, package – ADB-II/C-7 entered into between the parties. Our Company stated that they had raised the matter to the board regarding entitlement of the cost of delays suffered by it due to factors/reasons not attributable to it. The board had decided on April 7, 2010 that our Company was entitled to the claim and that the amount of claim was to be decided by NHAI/engineer within 60 days of the submission of claim details by our Company to them. Subsequently, our Company submitted the claim amount of ₹ 233.07 million on April 24, 2010 followed by additional clarifications on May 17, 2010 and June 30, 2010, but the same were not disposed of by the NHAI/engineer within 60 days and no additional time was sought by NHAI/engineer form the board for complying with their recommendation and further disputed our Company's eligibility for additional costs. Hence, our Company referred to the matter to the board again on December 24, 2011. The board vide letter dated January 31, 2011 stated that its mandate was over and recommended that the dispute be resolved as per the terms of the contract. Our Company thereafter sent a letter dated April 19, 2011 to NHAI intimating about the appointment of an arbitrator by our Company and requesting nomination of an arbitrator by NHAI as per the due procedure of the contract. The board unanimously decided to overrule the objections of NHAI on April 4, 2010. Our Company went to the AT on for enforcing the directive of board which is currently pending.

(xii) Our Company referred a dispute dated November 24, 2008 against NHAI to the DRB in relation to a dispute arising out of a contract entered into by NHAI and our Company for the construction of four laning of Jhansi – Lakhandon section from 255 km to 297 km (upto end of grade-separator at Rajmarg Chauraha) on NH-26 in Madhya Pradesh. It is the claim of our Company that during the execution of the work, the project director of NHAI called for a meeting with respect to re-interpretation of clause 70 of the contract and unilaterally decided to adopt base rates of materials in the place of the current rates adopted upto interim payment certificates bearing No. 21 based on their audit report. In this regard, NHAI had recovered alleged excess payments made to our Company and ₹ 22.30 million had already been recovered in interim payment certificate bearing No. 23. As the recommendations of the DRB were not acceptable, our Company referred the matter to the AT on March 25, 2009 and NHAI referred its claim to the AT on March, 23, 2010. The AT decided the matter in favour of our Company and directed NHAI to pay to our Company an amount of ₹ 177.09 million. Aggrieved by the said award, NHAI filed appeal bearing No. 18 of 2010 dated March 23, 2010 against our Company before the District Judge, Narsinghpur, Madhya Pradesh challenging the arbitral award under section 34 of the Arbitration and Conciliation Act, 1996. The matter is currently pending before the District Judge, Narsinghpur, Madhya Pradesh.

Cases involving the Unincorporated Joint Venture Companies

I. BSC C&C JV

(i) **Cases filed against BSC C&C JV**

Civil litigation

(a) Esmat Insaf Construction and Road Building Company filed a civil suit bearing No. 17253 against BSC C&C JV before the Judicial Juries of Trade Primary Court and Kabul Secondary Court, alleging non-performance of certain obligations, including non-payment of the amounts due for work done by it in connection with the projects at Laskhargah, Helmand and Adreskan in Afghanistan and further claiming compensation of US $ 1.02 million (₹ 56.28 million approximately). The Judicial Juries of Trade Primary Court and Secondary Court, Kabul vide decree dated September 2, 2012 decided the case in favour of BSC C&C JV. Subsequently, Esmat Insaf Construction and Road Building Company preferred an appeal from this order dated September 2, 2012 before the Trade Divan of Kabul Province Secondary Court and the matter is currently pending.

(b) Surjit Singh has filed a civil suit bearing No. 76 of 2008 and miscellaneous application No. 23 of 2008 against BSC C&C JV before the Additional District Court, Ropar, Punjab for temporary and permanent injunction seeking to restrain BSC C&C JV from interfering with his peaceful possession of the property comprising of a house, shop and tube well on NH- 21, by contending that the said property did not fall under the notification for acquisition given by the National Highway Authority. The Additional District Court has vide order dated September 18, 2009 passed a temporary injunction in favour of Surjit Singh. The suit for permanent injunction is currently pending before the Additional District Court, Ropar, Punjab.

(c) Raj Kumar Rajak filed an application against BSC C&C JV and employees of BSC C&C JV before the Court of the Sub Divisional Officer, Jamtara, Jharkhand seeking eviction and removal of stone crusher machines from the suit property. The application is filed under section 42 read with section 20 of the Santhal Pargana Tenancy Act, 1949. The matter is currently pending before the Court of the Sub Divisional Officer, Jamtara, Jharkhand.

(d) Jagwinder Singh filed a civil suit bearing No. 253 of 2012 against BSC C&C JV Toll Road Company before the Court of Civil Judge Senior Division, Ropar, Punjab for recovery of ₹ 0.84 million as toll tax barrier charges for the period from February 26, 2009 to May 31, 2010. The matter is currently pending before the Court of Civil Judge Senior Division, Ropar, Punjab.

(e) Reliance Capital filed a petition bearing O.M.P. No. 1203 of 2012 before the High Court of Delhi under section 9 of the Arbitration and Conciliation Act, 1996 read with section

151 of the Code of Civil Procedure against BSC C&C JV through its director and authorized signatory, C&C Constructions Limited through its directors and Gurjeet Singh Johar seeking possession of BSC C&C JV's commercial vehicles alleging non-payment of dues. The amount claimed is ₹ 29.57 million. The High Court of Delhi vide order dated December 20, 2012, has appointed a receiver and directed the respondents to make a payment of ₹ 20 million within eight weeks to the petitioner and further restrained the respondents from parting with the possession of the commercial vehicles. The matter is pending before the High Court of Delhi.

Compensation Claims

<u>Motor Vehicle Claim</u>

Provided below is a brief description of the claims filed against BSC C&C JV before different MACT wherein the compensations claimed are ₹ 1.00 million or higher. We understand that, in addition to these compensation claims, there are criminal complaints registered against the employees of our Company, which are pending before different forums.

(a) Madhurani and certain others filed a claim petition against Amarjeet Singh, employee, BSC C&C JV and IFFCO TOKIO General Insurance Company Limited before the Court of Learned District Judge, Jammu, claiming compensation of ₹ 4.50 million for the death Surjeet Singh due to the alleged reckless driving of Amarjeet Singh. The petition was filed under sections 140 and 166 of the Motor Vehicles Act. The matter is currently pending before the Court of Learned District Judge, Jammu.

(b) Buchani Devi and another filed a claim petition bearing M.A.C. No. 30 of 2011 against Manoj Kumar Pandey, employee, BSC C&C JV and IFFCO-TOKIO General Insurance Company Limited before the MACT, Madhubani, Bihar claiming compensation of ₹ 1.21 million for the death of Roshan Kumar Jha and injuries sustained by Ratan Bhagat, caused due to the alleged reckless driving of Manoj Kumar. The petition was filed under sections 140 and 166 of the Motor Vehicles Act. The matter is pending before the MACT, Madhubani, Bihar.

(c) Munna Devi filed a claim petition bearing No. 137 of 2010, against Rajesh Kumar Yadav, employee, BSC C&C JV and New India Assurance Company Limited before the MACT, Purnia, Bihar claiming compensation of ₹ 2.10 million for the death of her son caused due to the alleged reckless driving of the Rajesh Kumar. The petition was filed under sections 140 and 166 of the Motor Vehicles Act. Munna Devi has executed a money receipt accepting an amount ₹ 0.25 million in lieu of the entire compensation claimed. The matter is currently pending before the MACT, Purnia, Bihar.

(d) Asha Devi filed a claim petition bearing No. 41 0f 2012 against APS Chadha , director of BSC C&C JV, Shiv Shankar Singh, employee of BSC C&C JV, and IFFCO-TOKIO General Insurance Company Limited before the Chief Judicial Magistrate, Kaithar, Bihar claiming compensation of ₹ 2.91 million for the death of Santosh Mandal and injury sustained by Rehmat Ansari. The matter is pending before the before the Chief Judicial Magistrate, Kaithar, Bihar.

Further, there are 24 claim petitions filed against BSC C&C JV for compensation relating to death/accident, where the value of the compensation claimed is less than ₹ 1.00 million. The aggregate amount of compensation claimed/amount liable in respect of the above 24 cases is ₹ 4.27 million. The aforementioned matters are currently pending before different MACT.

Workmen's Compensation Claims

(a) Sanjay Singh and certain others filed a claim petition bearing No. 9 of 2011 against BSC

C&C JV, Chairman, Project Manager C&C Constructions Limited and Project-in-charge of BSC C&C JV, before the Workmen's Compensation Commissioner cum Deputy Labour Commissioner, Begusarai, Bihar claiming compensation of ₹ 0.67 million for the death of Sikander Singh, employee of BSC C&C JV caused while he was repairing a crusher plant. The matter is currently pending before the Workmen's Compensation Commissioner cum Deputy Labour Commissioner, Begusarai, Bihar.

In addition to the afore disclosed claim petition, there are seven other workmen's compensation claims wherein the amount of compensation claimed is not yet quantified. The claims are pending before different forums.

Mining Case

(a) The Forest Department has filed a case bearing No. 10 of 2010 against Suresh Kumar, employee of BSC C&C JV before the Court of Chief Judicial Magistrate, Sasaram, Rohtas, Bihar claiming that illegal mining was being undertaken within protected forest areas. The case is filed under sections 2, 32, 33, 41, 42, 62, 63 and 64 of the Indian Forest Act, 1927. The matter is currently pending before the Court of Chief Judicial Magistrate, Sasaram, Rohtas, Bihar.

(b) The Forest Department has filed a case bearing No. 28 of 2012 against Rajiv Nayan Tripathi, Shailendra Pandey and Sunil Dubey, employees of BSC C&C JV before the Court of Chief Judicial Magistrate, Rohtas, Sasaram, Bihar claiming that the accused were involved in illegal transport of concrete material. The case has been filed under sections 33, 41 and 42 of the Indian Penal Code. The matter is currently pending before the Court of Chief Judicial Magistrate, Rohtas, Sasaram, Bihar.

Labour Dispute

(a) Sandeep Kumar filed an application bearing P.W. Application No. 03 of 2012 against BSC C&C JV through Chief General Manager Patna, Senior Project Manager, Junior Project Manager and Project Director, NHAI before the Court of Presiding Officer, Labour Court, Muzaffarpur, Bihar under subsection 2 of section 15 of Payment of Wages Act, 1936 claiming non-payment of due wages. The amount claimed is ₹ 3.15 million. The matter is pending before the Court of Presiding Officer, Labour Court, Muzaffarpur, Bihar.

Railway Disputes

(a) There are 25 railway cases filed against the Project Managers (employees) of BSC C&C JV, stationed at the project site of BSC C&C JV, before the Court of 1st Class Magistrate, East Central Railway Court, Gaya-Bihar for imposing a maximum penalty of ₹ 2,000 in each case, for the destruction of railway property (railway cables). The aggregate amount of penalty liable to be imposed is ₹ 0.05 million. The matter is pending before the Court of 1st Class Magistrate, East Central Railway Court, Gaya, Bihar.

Tax Claims

Entry Tax

(a) BSC C&C JV received a demand order dated November 18, 2010 issued by the Assistant Commissioner of Commercial Tax, Muzaffarpur, imposing a liability under section 25 of the Bihar Value Added Tax read with section 8 of the Bihar Tax on Entry of Goods into Local Areas for Consumption, Use or Sale Therein Act, 1993 (the "**Bihar Entry Tax Act**"). The demand order was issued with respect to a scrutiny carried out by the Assistant Commissioner of Commercial Tax of the returns filed by BSC C&C JV for the Financial Year 2007-2008, wherein it was determined that the total amount of tax assessed was ₹ 40.87 million with interest applicable amounting to ₹ 5.86 million. BSC C&C JV had already submitted returns for the said year amounting to ₹ 28.27 million and consequently, the order imposed an amount of ₹ 18.46 million on the grounds of shortfall in the payment of tax liable to be paid by BSC C&C JV. Against the order of the Assistant Commissioner of Commercial Tax, BSC C&C JV filed an appeal on August 2, 2011 challenging the assessment and the imposition of interest before the Joint Commissioner of Commercial Tax (Appeals), Tirhut Division, Muzaffarpur, which is currently pending.

(b) BSC C&C JV received a demand order dated February 17, 2011 issued by the Assistant Commissioner of Commercial Tax, Muzaffarpur, imposing a liability under section 25 of the Bihar Value Added Tax read with section 8 of the Bihar Entry Tax Act. The demand order was issued with respect to a scrutiny carried out by the Assistant Commissioner of Commercial Tax of the returns filed by BSC C&C JV for the Financial Year 2008-2009, wherein it was determined that the total amount of tax assessed was ₹ 64.99 million with interest applicable amounting to ₹ 11.33 million. BSC C&C JV had already submitted returns for the said year amounting to ₹ 28.19 million and consequently, the order imposed an amount of ₹ 48.14 million on the grounds of shortfall in the payment of tax liable to be paid by BSC C&C JV. Against the order of the Assistant Commissioner of Commercial Tax, BSC C&C JV filed an appeal on August 2, 2011 challenging the assessment and the imposition of interest before the Joint Commissioner of Commercial Tax (Appeals), Tirhut Division, Muzaffarpur, which is currently pending.

(c) BSC C&C JV received a demand order dated April 28, 2011 issued by the Assistant Commissioner of Commercial Tax, Muzaffarpur, imposing a liability under section 25 of the Bihar Value Added Tax read with section 8 of the Bihar Entry Tax Act. The demand order was issued with respect to a scrutiny carried out by the Assistant Commissioner of Commercial Tax of the returns filed by BSC C&C JV for the Financial Year 2009-2010, wherein it was determined that the total amount of tax assessed was ₹ 57.02 million with interest applicable amounting to ₹ 5.89 million. BSC C&C JV had already submitted returns for the said year amounting to ₹ 26.79 million and consequently, the order imposed an amount of ₹ 36.12 million on the grounds of shortfall in the payment of tax liable to be paid by BSC C&C JV. Against the order of the Assistant Commissioner of Commercial Tax, BSC C&C JV filed an appeal on August 2, 2011 challenging the assessment and the imposition of interest before the Joint Commissioner of Commercial Tax (Appeals), Tirhut Division, Muzaffarpur, which is currently pending.

Income tax

(d) BSC C&C JV received an order dated December 30, 2010 from the Assistant Commissioner of Income Tax, New Delhi under section 143(3) read with section 145 and 147 of the Income Tax Act in relation to the assessment carried out for the assessment year 2006-2007 wherein BSC C&C JV was assessed with income of ₹ 628.21 million as against the income of booked as returns by them. The order, inter alia, stated that the assessee had claimed depreciation at 35.00% (15.00% normal and an additional 20.00%) on plant and machinery, which was considered while computing income at ₹ 503.78 million. However as a result of the assessment carried out, it was determined that they were not eligible for the additional depreciation amounting to ₹ 25.98 million. Further the order stated that as per the tax deducted at source receipts for the Indian project undertaken, the return of income submitted by the assessee was at a shortfall amounting to ₹ 5.78 million. The Assessing Officer therefore assessed additional income at ₹ 628.21 million along with interest. Against this, BSC C&C JV has filed an appeal on January 29, 2011 before the Commissioner of Income Tax (Appeals) XXVIII, New Delhi, which is currently pending.

(e) BSC C&C JV received an order dated December 24, 2010 from the Assistant

Commissioner of Income Tax, New Delhi under section 143(3) of the Income Tax Act in relation to the assessment carried out for the year 2008-2009 wherein BSC C&C JV declared income of ₹ 530.91 million. The order, inter alia, stated that the assessee had claimed depreciation at 35.00% (15.00% normal and an additional 20.00%) on plant and machinery, however as a result of the assessment carried out, it was determined that they were not eligible for the additional depreciation amounting to ₹ 50.29 million. Further the order also stated that the claims by the assessee for expenditure on account of maintenance and repair, site expenses and other travelling expenses, were not viable and the amounts were to be treated as income, amounting to ₹ 0.85 million, collectively amounting to ₹ 51.14 million. The Assessing Officer therefore assessed income at ₹ 582.05 million along with interest against the income of ₹ 530.91 million as booked as income by the assessee. Against this, BSC C&C JV has filed an appeal on January 29, 2011 before the Commissioner of Income Tax (Appeals) XXVIII, New Delhi, which is currently pending.

(f) The Assistant Commissioner of Income Tax issued an order dated December 31, 2009 with respect to the assessment carried out for the assessment year 2004-2005, section 143(3), 145(3) and 147 of the Income Tax Act and claimed escapement of income by declaring the following additions: (i) the company's income at ₹ 263.00 million as against ₹ 135.12 million, (ii) disallowance of excess depreciation amounting to ₹ 64.56 million, (iii) addition on account of estimation of income from Indian projects amounting to ₹ 8.13 million, (iv) addition on account of the loss claimed amounting to 55.12 million on Indian projects as was erroneously allowed in the regular assessment. and (v) disallowing of prior period expenses and non deposit of employee's provident fund as the same were not added to total income of the assesse estimated under section 145(3) of I.T. ActAgainst this, BSC C&C JV preferred an appeal to the Commissioner of Income Tax (Appeals) XXVIII challenging the assessment order dated December 31, 2009 wherein vide order dated January 11, 2011, the appeal was partly allowed, however upholding the order in favour of the Assessing Officer on the following grounds: (i) disallowance of additional depreciation, (ii) addition on account of income from Indian projects and (iii) addition on account of loss claimed in Indian projects and upheld the appeal filed by BSC C&C JV of miscellaneous expenses. Against this, BSC C&C JV and the Assistant Commissioner of Income Tax filed cross appeals, before the Income Tax Appellate Tribunal, New Delhi. The Income Tax Appellate Tribunal upheld the order passed by the Commissioner of Income Tax (Appeals) XXVIII. Against this, BSC C&C JV has filed an appeal before the High Court of Delhi.

Criminal Litigation

(g) M/s SREI Equipment Finance Private Limited has filed a complaint in Case No C/19112/12 before the Metropolitan Magistrate 17th Court, Calcutta under Section 138 and 141 of the Negotiable Instruments Act, 1881 against BSC C&C JV and its partners including Bollineni. Krishnaiah. The complainant alleged that a cheque bearing number 706140, dated June 22, 2012 for an amount of Rs 7,325,900.00 was issued for discharge of debt/liabilities arising out of the hypothecation loan agreement between the complainant and BSC C&C JV. The complainant alleged that when the cheque was produced in the bank, the same was returned. Further, it has been alleged that a notice was subsequently sent by the complainant demanding payment, however there was no response. Summons have been issued to BSC C&C JV by the Metropolitan Magistrate 17th Court, Calcutta on October 8, 2012 to appear before the court on December 11, 2012 under Section 68 of the Code of Criminal Procedure, 1898.

(h) M/s Srei Equipment Finance Limited has filed a complaint in Case No. 18241/12 before the Metropolitan Magistrate 17th Court, Calcutta under Section 138 and 141 of the Negotiable Instruments Act, 1881 against BSC C&C JV and its partners including Bollineni. Krishnaiah. The complainant alleged that a cheque bearing number 901601, dated June 15, 2012 for an amount of Rs. 1,468,594.00 was issued for discharge of debt/liabilities arising out of the hypothecation loan agreement between the complainant and BSC C&C JV. The complainant alleged that when the cheque was produced in the bank, the same was returned. Further, it has been alleged that a notice was subsequently sent by the complainant demanding payment, however there was no response. Summons have been issued to Bollineni. Krishnaiah by the Metropolitan Magistrate 17^{th} Court, Calcutta on October 8, 2012 to appear before the court on December 11, 2012 under Section 68 of the Code of Criminal Procedure, 1898.

(ii) **Cases filed by BSC C&C JV**

Consumer Dispute

(a) The director, BSC C&C JV filed a complaint bearing No. 1155 of 2007 against the manager and head of operations, SBI Life Insurance Company Limited before the District Consumer Forum, Barracks, Kasturba Gandhi Marg, New Delhi claiming compensation for the death of Madan Lal, who was an employee of BSC C&C JV posted at Afghanistan, as Madan Lal was a policy holder under the group insurance master policy No. 82001510407 (super suraksha policy) taken by the complainant. The complaint was filed under section 11 of the Consumer Protection Act, 1986. The complainant has claimed that the death of the deceased cannot be construed as a natural death and therefore, the complainant has sought for a compensation of ₹ 0.55 million along with an interest of 18.00% p.a. payable from the date of filing of the claim i.e. September 8, 2006 up to the date of realization of the claim together with the litigation charges. The matter is currently pending before the District Consumer Forum, Barracks, Kasturba Gandhi Marg, New Delhi.

Arbitration

(i) BSC C&C JV referred a dispute against NHAI to the DRB in relation to a dispute arising out of a contract entered into by NHAI and BSC C&C JV for the strengthening and widening of NH-57 from km 00.00 to km 37.75 in the state of Bihar. BSC C&C JV referred the following disputes to the DRB: (i) dispute relating to variation made by the engineer in respect of the content of cement to be used for concrete bridge wherein a claim of ₹ 3.18 million was made, (ii) dispute relating to maintenance of the existing highway beyond the scope of the contract, claiming an amount of ₹ 11.65 million, (iii) dispute relating to inconsistency in the modes of measurement of units claiming an amount of ₹ 12.45 million, (iv) dispute relating to reimbursement of labour cess claiming an amount of ₹ 43.23 million, (v) dispute relating to additional costs due to increase in royalty for stone dust and soil claiming an amount of ₹ 44.27 million and (vi) dispute relating to payments of price escalation for bitumen and steel, claiming an amount of ₹ 246.95 million. The DRB vide recommendations dated June 30, 2008, June 30, 2008, April 12, 2010, September 29, 2009, December 23, 2010 and February 8, 2011, respectively recommended the payments of the aforesaid amounts with interest by NHAI to BSC C&C JV, totally amounting to ₹ 361.74 million. As NHAI did not respond to the recommendations of the DRB, BSC C&C JV has referred the dispute to the AT on February 17, 2012 and the same is currently pending.

(j) BSC C&C JV referred a dispute against NHAI to the DRB in relation to a dispute arising out of a contract entered into by NHAI and BSC C&C JV for the strengthening and widening of NH-57 from km 155.00 to km 110.00 (Jhanjharpur) in the state of Bihar. BSC C&C JV referred the following disputes to the DRB: (i) dispute relating to additional costs due to increase in royalty, claiming an amount of approximately, ₹ 69.18 million (ii) dispute relating to payments of price escalation for bitumen, cement and steel, claiming an amount of ₹ 302.21 million and (iii) dispute relating to reimbursement of labour cess, claiming an amount of ₹ 39.40 million. The DRB vide recommendations dated May 11, 2008, May 11, 2008 and September 29, 2010 respectively recommended the payments of the aforesaid amounts with interest by NHAI to BSC C&C JV, totally amounting to ₹ 410.79 million. As NHAI did not respond to the recommendations of the DRB, BSC C&C JV has referred the dispute to the AT on February 15, 2012 and the same is currently pending.

(k) BSC C&C JV referred a dispute against NHAI to the DRB in relation to a dispute arising out of a contract entered into by NHAI and BSC C&C JV for the work of rehabilitation and up gradation from four lane to six lane from km 37.75 to km 70.00 of Muzaffarpur – Dharbanga section of NH-57 in the state of Bihar. BSC C&C JV referred the following disputes to the DRB: (i) dispute relating to maintenance of existing highway during construction period, claiming an amount of ₹ 17.35 million, (ii) dispute relating to additional costs due to increase in royalty on earth, claiming an amount of ₹ 60.14 million and (iii) dispute relating to additional costs due to increase in royalty of stone dust, claiming an amount of ₹ 0.77 million. The DRB vide recommendation dated January 23, 2009 recommended the payments of the aforesaid amounts with interest by NHAI to BSC C&C JV, totally amounting to ₹ 78.26 million. As NHAI did not respond to the recommendations of the DRB, BSC C&C JV has referred the dispute to the AT, which vide award dated May 12, 2011, passed the award in favour of BSC C&C JV, however revising the amounts claimed and awarding a total amount of ₹ 62.47 million. Against this, NHAI filed an appeal before the High Court of Delhi vide suit bearing OMP No. 743 of 2011 challenging the arbitral award and the same is currently pending.

(l) BSC C&C JV referred a dispute against NHAI to the DRB in relation to a dispute arising out of a contract entered into by NHAI and BSC C&C JV for the work of rehabilitation and up gradation from four lane to six lane from km 69.80 to km 37.75 to km 70.00 of Muzaffarpur – Dharbanga section of NH-57 in the state of Bihar. BSC C&C JV referred the following disputes to the DRB: (i) dispute relating to calculation of price escalation of bitumen, claiming an amount of ₹ 10.16 million, (ii) dispute relating to release of deducted price escalation costs, claiming an amount of ₹ 36 million, (iii) dispute relating to additional payments towards certain selected fill materials claiming an amount of ₹ 27.69 million, (iv) dispute relating to reimbursement of labour cess claiming an amount of ₹ 45.05 million, (v) dispute relating to variation costs of a bill of quantities item, claiming an amount of ₹ 6.09 million, and (vi) dispute relating to determination of the value of cement and steel, claiming an amount of ₹ 171.43 million. The DRB vide recommendations dated December 19, 2011, December 19, 2011, November 20, 2011, September 20, 2009, August 4, 2010 and February 8, 2011 respectively recommended the payments of the aforesaid amounts with interest by NHAI to BSC C&C JV, totally amounting to ₹ 296.82 million. As NHAI did not respond to the recommendations of the DRB, BSC C&C JV has referred the dispute to the AT on January 3, 2012 and August 4, 2012, which is currently pending.

(m) BSC C&C JV referred a dispute against LBG/B&V (JV) before the American Arbitration Association, bearing case No. 50110T0041511 with respect to the construction of an all weather-paved asphalt road from Gardez to Khost road in Afghanistan. BSC C&C JV referred the following disputes to the American Arbitration Association: (i) disputes relating to damage of equipment and injury to personnel, claiming an amount of USD 3.83 million (₹ 207.05 million), (ii) disputes relating to additional costs incurred for reasons not attributable to BSC C&C JV, claiming an amount of USD 23.64 million (₹1,277.98 million), (iii) disputes relating to rate variations and changes in the contract amounting to USD 6.97 million (₹ 376.80 million), (iv) dispute relating to unilateral deductions of certified amounts, claiming an amount of USD 0.98 million (₹ 52.98 million), (v) disputes relating to losses suffered due to contractual breaches, claiming an amount of USD 55.87 million (₹ 3,020.33 million) and (vi) dispute relating to certain other miscellaneous claims. The total amount of claim is USD 117.99 million (₹ 6, 378.54 million). The arbitration is currently pending.

(n) BSC C&C JV referred a dispute against Government of Delhi (NCT) of, to the AT in relation to a dispute arising out of a contract entered into by for the construction works related to widening of roads for high capacity bus system, in Delhi. BSC C&C JV referred the following disputes to the DRB: (i) dispute relating to deployment of traffic marshalls in excess of that is required, claiming an amount of ₹ 1.24 million, (ii) dispute relating to variation rates, claiming an amount of ₹ 238.83 million, (iii) dispute relating to time overrun on the project, claiming an amount of ₹ 410.04 million and (iv) dispute relating to interest applicable, totally amounting to ₹ 197.37 million. The case was referred to t a Dispute Review Expert, who recommended the payment of these amounts to BSC C&C JV. As this recommendation was not adhered to by the Government of Delhi (NCT), BSC C&C JV filed a claim before the AT on July 30, 2011 which is currently pending.

Tax Claims

(a) BSC C&C JV filed a petition bearing No. 2981 of 2007 before the High Court of Patna against the State of Bihar, Commissioner of Commercial Taxes, Bihar and Deputy Commissioner of Commercial Taxes, Bihar. It is the claim that the petitioner was awarded the contract for four laning the Simrahi-Jhanjharpur-Dharbanga-Muzaffarpur section in the state of Bihar and is duly registered under the VAT and Bihar Entry Tax Act. The petition has been filed challenging the order dated January 25, 2007 passed by the Deputy Commissioner of Commercial Taxes imposing entry tax on the goods imported by the petitioner while rejecting their claim that the goods ought not to be subject to entry tax. The petition, inter alia, sought to challenge the constitutional validity of the Bihar Entry Tax, Amendment Act of 2001 and 2003 on the grounds that they were in violation of articles 304 (a) and 304(b) of the Constitution of India. The court vide order dated May 4, 2007 granted a stay in favour of BSC C&C JV and directed that no coercive steps be taken against them. Subsequently, the court vide order dated December 13, 2007 has directed that, pending the decision of the Supreme Court of India in appeal No. 3453 of 2002, further granting liberty to the State of Bihar and the other respondents to file an application for vacating the stay. The matter is currently pending before the High Court of Patna.

Criminal litigation

(a) BSC-C&C JV filed an FIR registered as No. 90 of 2010 against Guddul Singh, Jalewar Singh, Omprakash Tiwari and Viku Singh. Against this, the State of Bihar filed a criminal complaint bearing No. 162 of 2012 before the Court of Chief judicial Magistrate, Bhabua, Kaimur, Bihar. The complainant has claimed that the accused herein entered the site of BSC C&C JV and beat up the employees of our company. The complaint was filed under sections 323, 379, 504, 427 and 506 read with section 34 of the Indian Penal Code. Subsequently, Omprakash Tiwari filed a counter criminal case bearing No. 300 of 2010 against FIR registered as No. 101 of 2010 against the employees of BSC-C&C JV, Ranjit Kumar Singh, and certain others before the Chief Judicial Magistrate, Bhabua, requesting the Court to take cognizance of offences committed under sections. The matters are currently pending before the Chief Judicial Magistrate, Bhabua, Kaimur, Bihar.

(b) BSC C&C JV filed an FIR registered as 36 of 2011 against certain unknown persons before the Judicial Magistrate First Class, Bhabua, Bihar claiming that the accused persons entered the site of the camp and started altercations with the employees in order to hamper the progress of the work. The matter is filed before the Judicial Magistrate First Class, Bhabua, Bihar.

(c) BSC C&C JV filed an FIR registered as No. 128 of 2008 against Bipin Kumar Jha.

Against this the State of Bihar filed a criminal complaint bearing T.R. No. 2036 of 2010 before the Judicial Magistrate First Class, Jhanjarpur, Bihar. The complaint has been filed under sections 147, 149, 497, 384 and 385 of the Indian Penal Code against the accused contending that on September 17, 2008, the accused entered the site and threatened the employees. The matter is pending before the Judicial Magistrate First Class, Jhanjarpur, Bihar.

(d) BSC C&C JV filed an FIR registered as No. 53 of 2007 against Baleshwar Sah before the Police Station, Phulparas, Madhubani, Bihar. The complaint has been filed under section 414 of the Indian Penal Code against the accused contending that on March 17, 2007, the accused was caught stealing 35 litres of diesel from the camp of BSC C&C JV. The matter is pending before the Police Station, Phulparas, Madhubani, Bihar.

(e) BSC C&C JV filed an FIR registered as No. 28 of 2010 against Nathuni Yadav before the Police Station, Phulparas, Madhubani, Bihar. The complaint has been filed under sections 379 and 411 of the Indian Penal Code against the accused contending that on February 20, 2010, accused was caught stealing thermo mechanically treated steel bars. The matter is pending before the Police Station, Phulparas, Madhubani, Bihar.

(f) BSC C&C JV filed an FIR registered as No. 17 of 2008 against Madhusudan Singh before the Judicial Magistrate First Class, Muzaffarpur, Bihar. The complaint has been filed under section 379 of the Indian Penal Code against the accused contending that on January 24, 2008, materials of BSC C&C JV stocked at the Gaighat were stolen by the accused. The matter is pending before the Judicial Magistrate First Class, Muzaffarpur, Bihar.

(g) BSC C&C JV filed an FIR registered as No. 235 of 2010 against unknown persons at the police station, Sadar, Dharbanga, Bihar. The complaint has been filed under sections 394 of the Indian Penal Code claiming that while Suresandra Prasad, accountant of BSC C&C JV was travelling to distribute the salaries to the workmen at the worksite, some men extorted an amount of ₹ 0.09 million from him, by threatening him at gun point. The matter is currently pending.

(h) J. Malviya and certain others, employees of BSC C&C JV have an FIR registered as No. 168 of 2011 against Garib Nath Yadav before the police station, Sadar, Dharbanga, Bihar for creating an obstruction while they were undertaking the operation of laying the road. The charge sheet has been filed against the accused on May 19, 2011 and submitted to the Chief Judicial Magistrate, Dharbanga, Bihar. The matter is currently pending before the Chief Judicial Magistrate, Dharbanga, Bihar.

II. BSC-RBM-PATI (JV)

(i) **Cases filed against BSC-RBM-PATI (JV)**

Arbitration

(i) NHAI referred a dispute against BSC-RBM-PATI (JV) on April 29, 2002 before the AT claiming compensation of ₹ 121.06 million with respect to a contract for four laning and strengthening of the existing two lane pavement Raniganj (474.00 km) to Panagarh (515.24 km) in the state of West Bengal entered into between NHAI and BSC-RBM-PATI (JV) on March 6, 1997. During the execution of the work, the following disputes had arisen between NHAI and BSC-RBM-PATI (JV) and were referred to AT: (a) non payment of provisional sums, provisional sum means a sum included in the contract and so designated in the bill of quantities for the execution of any part of the works or for the supply of goods, materials, plant or services, or for contingencies, which sum may be used, in whole or in part, or not at all, on the instructions of the engineer. The contractor shall be entitled to only such amounts in respect of the work, supply or contingencies to which such provisional sums relate as engineer shall determine in accordance with this clause. The engineer shall notify the contractor of any determination made under this sub-clause, with a copy to employer; b) dispute pertaining to the approval for rate variation, as per sub clause 2.1 of conditions of particular application in the agreement, the engineer shall obtain specific prior approval of the employer before issuing or approving variation orders. The contract effectively permits the employer to set the final rates for variations and engineer must immediately apply these rates for payment. However, prior approval of NHAI was not taken by the supervision consultant for all variations and submission of details of variations and final raising of bill even though the conditions of particular application necessitated a prior approval. The matter is currently pending before the AT.

BSC-RBM-PATI (JV) has filed a counter claim dated May 28, 2002 for an amount of ₹ 80.06 million on the grounds of non payment of certified amounts and varied rates. The matter is currently pending before the AT.

(ii) NHAI referred a dispute against BSC-RBM-PATI (JV) on June 7, 2002 before the AT with respect to a contract for four laning including strengthening of existing two lane pavement Barwa Adda (398.75 km) to Barakara (441.44 km) in the state of Bihar entered into between NHAI and BSC-RBM-PATI (JV) on October 14, 1996. During the execution of the work, the following disputes had arisen between NHAI and BSC-RBM-PATI (JV)and were referred to AT: a) applicability of rates for provisional sums, provisional sum means a sum included in the contract and so designated in the bill of quantities for the execution of any part of the works or for the supply of goods, materials, plant or services, or for contingencies, which sum may be used, in whole or in part, or not at all, on the instructions of the Engineer. The contractor shall be entitled to only such amounts in respect of the work, supply or contingencies to which such provisional sums relate as engineer shall determine in accordance with this clause. The engineer shall notify the contractor of any determination made under this Sub-clause, with a copy to employer; and b) approval for rates of variation, as per sub clause 2.1 of conditions of particular application, the engineer shall obtain specific prior approval of the employer before issuing or approving variation orders. The contract effectively permits the employer to set the final rates for variations and engineer must immediately apply these rates for payment. However, prior approval of NHAI (employer) was not taken by the supervision consultant for all variations and submission of details of variations including the rate analysis and final raising of bill, which was in breach of the conditions of particular application under the agreement entered into. NHAI submitted a revised claim for a total amount of ₹ 75.64 million. The matter is currently pending before the AT.

(ii) **Cases filed by BSC-RBM-PATI (JV)**

Arbitration

a. BSC-RBM-PATI (JV) referred a dispute against NHAI on March 31, 2004 before the AT claiming compensation of ₹ 650.45 million with respect to a contract awarded vide letter dated March 6, 1997 for four laning including strengthening of existing two lane pavement Raniganj (474.00 km) to Panagarh (515.24 km) in the state of West Bengal entered into between NHAI and BSC-RBM-PATI (JV) on July 24, 1997. During the execution of the work, the disputes which had arisen between NHAI and BSC-RBM-PATI (JV), inter alia were: (a) non payment of additional royalty and cess for stone and sand; (b) non payment of balance amounts for vehicle provided by the BSC RBM PATI; (c) non payment of balance for painting of kerbs and sign boards; (d) non release of foreign currency as per the terms of the contract; (e) additional expenses incurred by BSC RBM PATI for delays not attributable to them; (f) recovery of escalation on imported bitumen; (g) non payment of balance amounts for escalation on bitumen, difference between actual sales tax paid sales tax payments in interim payment certificates' (h) unprecedented hike in prices of raw materials during execution; (i) payment of interest on late receipt of payment of interim payment certificates; and (j) wrongful recovery proposed in interim final statement for import duty. The matter is currently pending before the AT.

NHAI has filed a counterclaim BSC-RBM-PATI (JV) dated June 12, 2006 before the AT claiming compensation of ₹ 424.17 million with respect to a contract for four laning including strengthening of existing two lane pavement Raniganj (474.00 km) to Panagarh (515.24 km) in the state of West Bengal entered into between NHAI and BSC-RBM-PATI (JV) on March 6, 1997. During the execution of the work, the following disputes had arisen between NHAI and BSC-RBM-PATI (JV) and were referred to AT (a) dispute stating that the works undertaken in the contract were defective; b) recovery of bitumen sales tax; c) recovery for price adjustment on bitumen; d) recovery of royalty on sand and murrum; e) recovery of import duty on equipment; f) recovery of employee provident fund; and g) recovery of liquidated damages. The matter is currently pending before the AT.

b. BSC-RBM-PATI (JV) referred a dispute against NHAI on May 1, 2002 before the AT claiming an amount of ₹ 87.92 million with respect to a contract for four laning including strengthening of existing two lane pavement Barwa Adda (398.75 km) to Barkara (441.44 km) in the state of Bihar entered into between NHAI and BSC-RBM-PATI (JV) on October 14, 1996. During the execution of the work, a dispute relating to non release of foreign currency had arisen between BSC-RBM-PATI (JV) and NHAI, which arose after the award of work when the Malaysian Government imposed restriction on the trading in Malaysian Ringit could not have been foreseen by the parties when entering up the contract. The claimants state that the situation created was asking to force 'force majeure' and called re-appraisal of the provision of the agreement regarding the release of the foreign currency. The proposal of the claimants that payment in Ringgits should be made in US Dollar derived from the contract provision was fair and reasonable but no cognizance of this proposal was taken by engineer or NHAI. The AT issued interim order and clarifications dated July 27, 200, November 8, 2004 and December 6, 2004. NHAI challenged the interim order before the High Court of Delhi, which was disposed off vide order dated April 2, 2008. Pursuant to the order of the High Court, the AT issued directions to NHAI on August 27, 2008 to dispose the claims within 180 days. As NHAI failed to dispose the claim within the stipulated period, BSC-RBM-PATI (JV) filed a fresh statement of claim before the Arbitral Tribunal for the amount of ₹ 87.92 million, which is currently pending.

c. BSC-RBM-PATI (JV) referred a dispute against NHAI on May 20, 2009 before the AT claiming compensation of ₹ 130.24 million with respect to a contract for the construction four laning including strengthening of existing two lane pavement Barwa Adda (398.75 km) to Barkara (441.44 km) in the state of Bihar entered into between NHAI and BSC-RBM-PATI (JV) on October 14, 1996. During the execution of the work, the following disputes had arisen between NHAI and BSC-RBM-PATI (JV) and were referred to AT a) non-payment of amount certified by engineer; this claim had arisen due to non-payment by NHAI of the sums certified by the engineer in the interim payment certificates, Statement at Completion and in the interim final statement. b) bank guarantee commission, payment due on account of additional costs/expenses incurred by way of bank guarantee commission for bank guarantee bearing BG No. 179/96-97 furnished by the joint venture as performance security due to non-discharge/return to original bank guarantees issued by NHAI after issue of defect liability certificate. The matter is currently pending before the AT.

III. BSC-SCL (JV)

(i) Cases filed against BSC-SCL (JV)

Criminal Litigation

a. There are three criminal cases filed against the employees of BSC-SCL (JV), two cases have been filed for alleged rash and negligent driving thereby causing death of certain persons, while the third case has been filed for causing injury under the Explosives Act. No compensation has been claimed with respect to these cases against BSC-SCL (JV). The matters are currently pending before different forums.

(ii) Cases filed by BSC-SCL (JV)

Arbitration

(a) BSC-SCL (JV) had referred an arbitration claim against the Maharashtra State Road Development Corporation Limited ("**MSRDCL**"). The dispute before the AT was with respect to an agreement entered into on January 5, 2002 for four laning from Satara (592.24 km) to Kolhapur (616.00 km) Maharashtra state boarder section of NH-4. BSC-SCL JV had referred the disputes to arbitration on the grounds of a) non-payment of increased incidence of royalty charges in respect of store and murrum for the work; b) non-payment of rock cutting by wedging and chiselling with use of hydraulic excavator; c) non-payment of additional expenses on account of additional laps and lengths on steel provided at site. The arbitral award in favour of BSC-SCL (JV) was passed on March 3, 2008 amounting to ₹ 11.78 million. The MSRDCL appealed against the said arbitral award and the same is currently pending before the High Court of Bombay.

(b) BSC-SCL (JV) had referred an arbitration claim against the MSRDCL. The dispute before the AT was with respect to an agreement entered into on January 5, 2002 for four laning from Satara (592.24 km) to Kolhapur (616.00 km) Maharashtra state border section of NH-4. BSC-SCL (JV) had referred the matter to arbitration on the ground of payment of delay cost by claiming that during execution of work, there were a number of delays owing to a number of reasons beyond reasonable control of the claimant, including *inter alia,* delay in handing over of land and encroachments therein, local disturbances, adverse weather conditions and cash flow problems. The arbitration award in favour of BSC-SCL (JV) was passed on December 21, 2009 amounting to ₹ 49.66 million. The MSRDCL has appealed against the same in the High Court of Bombay.

IV. KMC-Oriental- BSCPL (JV)

(i) Cases filed against KMC-Oriental- BSCPL (JV)

Workmen' Compensation Claims

(a) Sumant Bahadur Thapa and certain others filed claim petition bearing No. 356 of 2008 against KMC-Oriental-BSCPL (JV) and National Insurance Company Limited in the Court of the Deputy Commissioner of Labour (Workmen's Compensation), Trichy claiming compensation of ₹ 0.60 million for the death of Prakash Bahadur, employee of KMC-Oriental-BSCPL (JV). The petition has been made under section 4 of the Workmen's Compensation Act. The claim is pending before the Court of the Deputy Commissioner of Labour (Workmen's Compensation), Trichy.

(b) Kamsala and certain others filed claim petition bearing No. 355 of 2008 against KMC-Oriental-BSCPL (JV) and National Insurance Company Limited in the Court of the Deputy Commissioner of Labour (Workmen's Compensation), Trichy claiming compensation of ₹ 0.60 million for the death of Panchanadhan, employee of KMC-Oriental-BSCPL (JV). The petition has been made under section 4 of the Workmen's Compensation Act. The claim is pending before the Court of the Deputy Commissioner of Labour (Workmen's Compensation), Trichy.

(ii) Cases filed by KMC-Oriental- BSCPL (JV)

Arbitration

(a) KMC-Oriental-BSCPL (JV) had referred a claim for arbitration against the Project Director, Tamil Nadu Road Sector Project ("**TNRSP**"). The dispute that was referred to arbitration arose out of the recommendation passed by the DRB on August 27, 2008 arising out agreement dated October 8, 2004 entered into with TNRSP for upgrading of roads from Arcot to Ulundurpettai (Elevanasur) Polur to Chengam, Vriddachalam to Tiruvarur, Jayamkondan to Ariyalur. The dispute that was referred before the DRB was with respect to payment of additional costs arising out of increase in the cost of sand due to a legislation and increase in service tax and education cess. The arbitration award was passed on November 22, 2010. The DRB on August 27, 2008 recommended payment of the additional costs. As TNRSP was not acceptable to the recommendations of the DRB, KMC-Oriental-BSCPL (JV) referred the matter to the AT. The AT, vide award dated November 22, 2010 awarded a sum payable of ₹ 8.96 million towards additional cost due to increase in the cost of sand; ₹ 10.10 million towards payment of additional cost due to increase in service tax and educational cess and ₹ 2.55 million towards claim for payment of additional cost on account of non availability of Fe 415 grade steel. TNRSP appealed against the same in the High Court of Madras vide petition bearing No. 156 of 2011 dated February 3, 2011 and the same is currently pending.

(b) KMC-Oriental-BSCPL (JV) had referred a claim for arbitration against the Project Director, TNRSP with respect to the agreement dated October 8, 2004 entered into with TNRSP for upgrading of roads from Arcot to Ulundurpettai (Elevanasur) Polur to Chengam, Vriddachalam to Tiruvarur, Jayamkondan to Ariyalur.The dispute that was referred to the AT was with respect to payment of subsoil exploration in pile foundation and costs incurred due to imposition of certain additional changes different from the contract entered into. The AT vide award dated May 11, 2011 awarded a sum of ₹ 7.36 million towards payment of subsoil exploration in pile foundation other than bridge 247 and an amount of ₹ 0.51 million towards payment of subsoil exploration in pile foundation for bridge 247 and rejected the claim for additional costs.

Cases filed against the Promoters

Criminal Litigation

One of our Promoters Bollineni Krishnaiah is a party to certain criminal proceedings filed against BCS C&C JV. For further details, see above '***Criminial Litigation against BSC C&C JV***' on page 313.

Civil Litigation

a. Movva Rama Krishna filed a civil suit bearing No. 1506 of 2005 dated October 5, 2005 against Bolineni Krishnaiah Charitable Trust, Krishnaiah Projects Private Limited and certain others before the Court of the Fourth Additional District Judge, Fast Track Court, Ranga Reddy, Andhra Pradesh seeking a temporary injunction for restraining the respondents from interfering with the plaintiff's peaceful possession and enjoyment over the suit property. The petitioner has challenged the development agreement dated February 25, 1993 and sale deeds executed by the defendants for alienation of the suit property. The suit was renumbered as O.S. No. 399 of 2010. The matter is currently pending before the Fourth Additional District Judge, Fast Track Court, Ranga Reddy, Andhra Pradesh.

b. Movva Rama Krishna filed a civil suit bearing No. 1062 of 2004 dated August 12, 2004 against D. Venkayyanayudu and Bollineni Krishnaiah before the Fourth Additional District Judge, Ranga Reddy, Andhra Pradesh seeking interim injunction to restrain the respondents from interfering with his peaceful possession and alienating the suit property by giving effect to a development agreement dated February 25, 1993 entered into by the respondents pertaining to the suit property. The suit was filed under order 39 rules 1 and 2 of the Civil Procedure Code. The petitioner filed interim applications for temporary injunction bearing Nos. 1908 of 2004 and 1985 of 2004, which was vacated by the order of the court dated April 6, 2004. Movva Rama Krishna filed an appeal against the order dated April 6, 2004 before the High Court of

Andhra Pradesh, which was also dismissed vide order dated March 15, 2007. The suit was renumbered as O.S. No. 488 of 2010. The matter is currently pending before the Fourth Additional District Judge, Ranga Reddy District, Andhra Pradesh.

With respect to serial no. (a) and (b) above, the High Court of Andhra Pradesh has vide order dated February 26, 2010, directing that suits bearing O.S. Nos. 1062 of 2004 and 1506 of 2005 be clubbed together and be transferred to the court of the Fourth Additional District Judge, Ranga Reddy District, Andhra Pradesh.

c. Movva Rama Krishna filed a writ petition bearing W.P. No. 7082 of 2010 against the Revenue Department of the Government of Andhra Pradesh and others before the High Court of Andhra Pradesh on the grounds of non-consideration of the representation made by him to the Sub-Registrar, Moosapet in relation to a claim made by him for restraining any sale transaction pertaining to the suit property, over which the petitioner claims to have possession. The High Court of Andhra Pradesh vide order dated November 2, 2010 dismissed the said writ petition along with petitions bearing W.P. Nos. 9150 of 2010 and 16938 of 2010. Against this, Movva Rama Krishna filed an appeal bearing No. 936 of 2010 dated November 26, 2010 before the High Court of Andhra Pradesh, wherein the court has directed that the matter be transferred to the Office of the Commissioner and Inspector General of Registration and Stamps, Andhra Pradesh, Hyderabad. The matter is currently pending before the office of the Commissioner and Inspector General of Registration and Stamps, Andhra Pradesh, Hyderabad.

d. Movva Rama Krishna filed a writ petition bearing W.P. No. 3676 of 2006 dated February 23, 2006 against Bollineni Krishnaiah Charitable Trust, Krishnaiah Projects Private Limited represented by its director, Bollineni Krishnaiah, Revenue Divisional Officer ("**RDO**"), Chevalla Division, Ranga Reddy, Andhra Pradesh and the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh before the High Court of Andhra Pradesh under article 226 of the Constitution of India challenging the order dated January 12, 2006 passed by the Special Grade Deputy Collector & RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh in appeal No. 1628 of 2005 against Bollineni Krishnaiah Charitable Trust represented by its managing trustee, D. Venkayyanayudu, the RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh and the Mandal Revenue Officer ("**MRO**"), Serilingampally Mandal, Ranga Reddy, Andhra Pradesh in relation to a claim of ownership of the suit property. The petitioner further claims that the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh erred by not checking the original title of the suit property and the RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh has consequentially erred in upholding the actions of the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh. The matter is currently pending before the High Court of Andhra Pradesh.

e. Movva Rama Krishna filed a writ petition bearing W.P. No. 3677 of 2006 dated February 24, 2006 against Bollineni Krishnaiah Charitable Trust represented by its managing trustee, D. Venkayyanayudu, and others before the High Court of Andhra Pradesh under article 226 of the Constitution of India challenging and calling for the records of the order dated January 12, 2006 in proceedings bearing No. C/1627/2005 filed by the RDO, Chevalla Division. The aforementioned writ petition has been filed by Movva Rama Krishna claiming ownership of the suit property. The petitioner further claims that the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh erred by not checking the original title of the disputed property and the RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh has consequentially erred in upholding the actions of the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh. The matter is currently pending before the High Court of Andhra Pradesh.

f. Movva Rama Krishna filed a writ petition bearing W.P. No. 3678 of 2006 dated February 24, 2006 against Krishnaiah Projects Private Limited represented by its director, Bollineni Krishnaiah, RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh and the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh before the High Court of Andhra Pradesh under article 226 of the Constitution of India with respect to the order dated January 12, 2006 passed by the Special Grade Deputy Collector and RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh. This order was passed in relation to an appeal bearing No. 1629 of 2005 filed against Krishnaiah Projects Private Limited represented by its Director Bollineni Krishnaiah, the RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh and the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh in relation to a claim of ownership of the suit property. The petitioner further claims that the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh erred by not checking the original title of the suit property and the RDO, Chevalla Division, Ranga Reddy, Andhra Pradesh has consequentially erred in upholding the actions of the MRO, Serilingampally Mandal, Ranga Reddy, Andhra Pradesh. The matter is currently pending before the High Court of Andhra Pradesh.

g. Vankadari Laxmidevamma filed an original civil suit bearing No. 88 of 2007 dated January 7, 2007 against Bollineni Seenaiah before the First Additional Junior Civil Judge, Kurnool for restraining Bollineni Seenaiah from interfering with the possession of plaintiff with respect to the suit property further alienating the same to any third party, by claiming ownership of the said property. Vankadari Laxmidevamma has also filed an interim application bearing No. 27 of 2007 for temporary injunction to respect to the property. The suit was filed under section order 39 rules 1 and 2 of the Civil Procedure Code. The matter is currently pending before the First Additional Junior Civil Judge, Kurnool.

Motor Vehicle Claim

(i) Deendayal and Laxmirani filed a claim petition bearing M.A.C. No. 131 of 2009 against Suresh Kumar, employee of our Company, Bollineni Seenaiah, Promoter of our Company and New India Insurance Company Limited before the MACT, Jabalpur, Madhya Pradesh claiming compensation of ₹ 1.53 million and an interim compensation of ₹ 0.05 million for the death of their daughter Aarti Yadav due to the alleged reckless driving of Suresh Kumar. The petition was filed under sections 140 and 166 of the Motor Vehicles Act. The matter is currently pending before the Motor Accidents Claim Tribunal, Jabalpur, Madhya Pradesh.

Tax Litigation

(i) The Deputy Commissioner of Income Tax, Central Circle, Hyderabad issued a notice dated December 27, 2011 to Bollineni Seenaiah under section 143(3) read with section 153A of the Income Tax Act for the assessment carried out for the assesment years 2006-2007, 2007-2008, 2008-2009, 2009-2010 and 2010-2011 stating that as a result of the assessments carried out, and the search and seizure operations carried out, it was determined that there was a suppression of interest income accrued from M/s. Amareeswara Agritech Limited, unexplained loans to Sri Ramakrishna, certain unexplained payments, certain unexplained expenditures, unexplained investments in land, unexplained invests in gold, amounting to ₹ 0.02 million, ₹ 1.59 million, ₹ 1.59 million, ₹ 1.59 million, ₹ 1.59 million for the Financial Years respectively, collectively amounting to ₹ 6.39 million as suppressed income. On the said assessment, an amount of ₹ 9.00 million was demanded, out of which an amount of ₹ 0.7 million has been paid Against the said order, the assessee has filed an appeal before the Commissioner of Income Tax (Appeals) on February 1, 2012, only pertaining to the allegation of suppressed income interest from M/s. Amareeswara Agritech Limited, which is currently pending.

(ii) The Deputy Commissioner of Income Tax, Central Circle, Hyderabad issued a notice dated October 31, 2011 to Bollineni Sujatha under section 143(3) read with section 153A of the Income Tax Act for the assessment carried out for the assessment years 2006-2007, 2007-2008, 2008-2009, 2009-2010 and 2010-2011 stating that as a result of the assessments carried out, and the search and seizure operations carried out, it was determined that there was a suppression of income from property, wherein the assessee has claimed deduction of interest on borrowed capital amounting to ₹ 0.06 million ₹ 0.07 million, ₹ 0.07 million, ₹ 0.07 million and ₹ 0.08 million respectively vide section 24(b) of the Income Tax Act and interest income accrued from M/s. Amareeswara Agritech Limited amounting to ₹ 0.02 million, ₹ 1.59 million, ₹ 1.59 million, ₹ 1.59 million, ₹ 1.59 million for the Financial Years respectively, collectively amounting to ₹ 6.73 million as suppressed income. On the said assessment, an amount of ₹ 4.30 million was demanded, out of which an amount of ₹ 3.89 million has been paid under protest. Against the said order, the assessee has filed an appeal before the Commissioner of Income Tax (Appeals), Hyderabad on December 8, 2011, which is currently pending.

(iii) The Deputy Commissioner of Income Tax, Central Circle, Hyderabad issued a notice dated October 31, 2011 to Bollineni Krishnaiah under section 143(3) read with section 153A of the Income Tax Act for the assessment carried out for the assessment year2010-2011 stating that as a result of the assessments carried out, and the search and seizure operations carried out, it was determined that there was a suppression of income as a result of unexplained case amounting to ₹ 0.63 million for the Financial Year 2009-2010. The amount due has been paid under protest. Against the said order, the assessee has filed an appeal before the Commissioner of Income Tax (Appeals), Hyderabad on February 1, 2012 which is currently pending.

Litigation involving our Directors

Other than litigation involving our Promoters, our Directors have no litigation involving them.

Cases involving the Subsidiaries

1) **BSCPL Infra Projects Limited**

(i) Cases filed against BSCPL Infra Projects Limited

Nil

(ii) Cases filed by BSCPL Infra Projects Limited

Nil

2) **BSCPL Godhra Tollways Limited**

(i) Cases filed against BSCPL Godhra Tollways Limited

Nil

(ii) Cases filed by BSCPL Godhra Tollways Limited

Nil

3) **BSC – C&C Kurali Toll Road Limited**

(i) Cases filed against BSC – C&C Kurali Toll Road Limited

a. Ruby Tangri filed a suit against BSC-C&C Kurali Toll Road Limited, NHAI, Chief Engineer of NHAI and Union of India, through Secretary, Ministry of Surface Transport before the Court of Civil Judge (Senior Division), Ropar, Punjab claiming that the first defendant had caused an obstruction on the land belonging to seeking a permanent injunction against the defendants restraining them from creation of any obstruction on the use of the suit property. Also the plaintiff filed a miscellaneous application under order 39 rule 1 of the Civil Procedure Code before the Court of Civil Judge (Senior Division), Ropar claiming temporary injunction restraining the first defendant from erecting further a super structure and creating any type of hindrance on the suit property. The matters are currently pending before the Court of Civil Judge (Senior Division), Ropar, Punjab.

(ii) Cases filed by BSC – C&C Kurali Toll Road Limited

Nil

4) **BSCPL Aurang Tollways Limited**

(i) Cases filed against BSCPL Aurang Tollways Limited

Nil

(ii) Cases filed by BSCPL Aurang Tollways Limited

Nil

5) **BSCPL International FZE**

(i) Cases filed against BSCPL International FZE

Nil

(ii) Cases filed by BSCPL International FZE

Nil

6) **Green Desert Ventures Inc.**

(i) Cases filed against Green Desert Ventures Inc.

Nil

(ii) Cases filed by Green Desert Ventures Inc.

Nil

7) **Progressive International Holdings Inc.**

(i) Cases filed against Progressive International Holdings Inc.

Nil

(ii) Cases filed by Progressive International Holdings Inc.

Nil

8) **Green Desert Ventures Limited**

(i) Cases filed against Green Desert Ventures Limited

Nil

(ii) Cases filed by Green Desert Ventures Limited

Nil

Cases involving the Joint Ventures

1) **Mokama - Munger Highway Limited**

(i) Cases filed against Mokama - Munger Highway Limited

Nil

(ii) Cases filed by Mokama - Munger Highway Limited

Nil

2) **Patna Bakhtiyarpur Tollway Limited**

(i) Cases filed against Patna Bakhtiyarpur Tollway Limited

Nil

(ii) Cases filed by Patna Bakhtiyarpur Tollway Limited

Nil

3) **North Bihar Highway Limited**

(i) Cases filed against North Bihar Highway Limited

Abhijeet Singh, Labour Enforcement Officer-Central, Patna-1 and Motihari (in charge) conducted an inspection in the premises of the North Bihar Highway Limited located at Sitamarhi, Bihar on January 24, 2011 and in relation to the same, the following proceedings are pending.

(a) The Office of the Labour Enforcement, Patna, Ministry of Labour and Enforcement, Government of India, sent a notice bearing No. 42(L3)/2011-LEOP I dated February 4, 2011 to the North Bihar Project Limited. The notice was sent in relation to an inspection conducted in the premises of North Bihar Highway Limited located at Sitamarhi, Bihar on January 24, 2011 and allegation of non compliance of sections 47, 48, 49 and 50 of the BOCW Act and the rules made thereunder pertaining to registration and maintenance of records and registers. The work execution agency, BSC C&C JV sent a reply dated February 9, 2011 to The Office of the Labour Enforcement, Patna, Ministry of Labour and Enforcement, Government of India.

(b) The Labour Enforcement Officer filed a suit bearing No. 5 of 2011 against North Bihar Highway Limited before the Judicial Magistrate First Class, Sitamarhi, Bihar, claiming that on January 24, 2011, in relation to the following allegations (a) no notice board containing general information was displayed (b) no intimation of commencement of work was given (c) no employment card issued (d) no registers were prepared (e) no wage master roll and (f) no welfare and health care facilities were provided at the at work place. The notice was issued under the Contract Labour (Regulation and Abolition) Act, 1970.

(ii) Cases filed by North Bihar Highway Limited

Nil

4) **Simhapuri Expressway Limited**

(i) Cases filed against Simhapuri Expressway Limited

Nil

(ii) Cases filed by Simhapuri Expressway Limited

Nil

5) **BNPL**

(i) Cases filed against BNPL

Nil

(ii) Cases filed by BNPL

Nil

Cases involving the Group Companies

1) **Aishu Castings Limited**

(i) Cases filed against Aishu Castings Limited

Nil

(ii) Cases filed by Aishu Castings Limited

(a) Aishu Castings Limited filed a writ petition bearing W.P. No. 7260 of 2011 against Andhra Pradesh Central Power Distribution Company Limited, represented by its Superintendent Engineer, Mandal Revenue Inspector, Medak District and Andhra Pradesh State Financial Corporation represented by its Assistant General Manager before the High Court of Andhra Pradesh calling for the records of the notice dated January 6, 2011 issued by the Mandal Revenue Inspector, Medak District under section 8 of the Revenue Recovery Act, 1980 seeking to recover an amount of ₹ 0.34 million and recovery of ₹ 0.11 million. The assets only pursuant to a public auction by the Andhra Pradesh State Financial Corporation and therefore were not liable for the payment. The High Court of Andhra Pradesh has vide order dated April 24, 2011 granted a stay on the said proceedings. The matter is currently pending before the High Court of Andhra Pradesh.

(b) Aishu Castings Limited filed a writ petition bearing W.P. No. 12348 of 2011 against Andhra Pradesh Central Power Distribution Company Limited, represented by its Superintendent Engineer, Mandal Revenue Inspector, Medak District and Andhra Pradesh State Financial Corporation represented by its Assistant General Manager before the High Court of Andhra Pradesh calling for the records of the notice issued by the Mandal Revenue Inspector, Medak District seeking to recover the payment of electricity bill to the tune of ₹ 2.94 million. The claim was challenged on the ground that Aishu Castings Limited had acquired the assets only pursuant to a public auction by the Andhra Pradesh State Financial Corporation and therefore were not liable for the payment. The High Court of Andhra Pradesh has vide order dated April 24, 2011 granted a stay on the said proceedings. The matter is currently pending before the High Court of Andhra Pradesh.

(c) Aishu Castings Limited filed an execution petition suit bearing O.S. No. 310 of 2004 against Marshalls Sons & Co. (Mfg.) Limited before the X Additional Chief Judge, Fast Track Court (City Civil Court), Hyderabad under order 21 rule 11 of the Civil Procedure Code for recovery of ₹ 5.20 million, which was decreed in favour of Aishu Castings Limited vide decree dated April 2, 2008. The execution petition has been filed seeking the court to transfer the decree to the District Court, Thiruvalluvar. The matter is currently pending before the X Additional Chief Judge, Fast Track Court (City Civil Court), Hyderabad.

2) **Aishu Dreamlands Limited**

(i) Cases filed against Aishu Dreamlands Limited

Nil

(ii) Cases filed by Aishu Dreamlands Limited

Nil

3) **Aishu Projects Private Limited**

(i) Cases filed against Aishu Projects Private Limited

Nil

(ii) Cases filed by Aishu Projects Private Limited

Nil

4) **Aishu Realtors Private Limited**

(i) Cases filed against Aishu Realtors Private Limited

Nil

(ii) Cases filed by Aishu Realtors Private Limited

Nil

5) **Amar Bio-Tech Limited**

(i) Cases filed against Amar Bio-Tech Limited

Nil

(ii) Cases filed by Amar Bio-Tech Limited

Nil

6) **BDL Arcades Private Limited**

(i) Cases filed against BDL Arcades Private Limited

Nil

(ii) Cases filed by BDL Arcades Private Limited

Nil

7) **BDL Avenues Private Limited**

(i) Cases filed against BDL Avenues Private Limited

Nil

(ii) Cases filed by BDL Avenues Private Limited

Nil

8) **BDL BeeKay Avenues Private Limited**

(i) Cases filed against BDL BeeKay Avenues Private Limited

Nil

(ii) Cases filed by BDL BeeKay Avenues Private Limited

Nil

9) **BDL Projects Private Limited**

(i) Cases filed against BDL Projects Private Limited

Nil

(ii) Cases filed by BDL Projects Private Limited

Nil

10) **BDL Home Fields Private Limited**

(i) Cases filed against BDL Home Fields Private Limited

Nil

(ii) Cases filed by BDL Home Fields Private Limited

Nil

11) **BDL Housing Private Limited**

(i) Cases filed against BDL Housing Private Limited

Nil

(ii) Cases filed by BDL Housing Private Limited

Nil

12) **BDL Infrastructure Private Limited**

(i) Cases filed against BDL Infrastructure Private Limited

Nil

(ii) Cases filed by BDL Infrastructure Private Limited

Nil

13) **Bollineni Developers Limited**

(i) Cases filed against Bollineni Developers Limited

Nil

(ii) Cases filed by Bollineni Developers Limited

Nil

14) **Bollineni Casting and Steel Limited**

(i) Cases filed against Bollineni Casting and Steel Limited

(a) Ashok Kumar Jain, the proprietor of Ashok Enterprises filed a civil suit being O.S. No. 163 of 2011 before the Senior Civil Judge Court, Gudur, Nellore against Bollineni Casting and Steel Limited ("**BCSL**") for recovery of ₹ 0.40 million. It is the claim of Ashok Enterprises that they had supplied the sub-standard material to BCSL, due to which the order was cancelled by BCSL. The parties sought a one time settlement of ₹

0.20 million which was settled. However the rate of interest is challenged before the Senior Civil Judge Court, Gudur, Nellore.

(ii) Cases filed by Bollineni Casting and Steel Limited

(a) BCSL filed a suit bearing Criminal Compliant No. 883 of 2009 against Yogesh Goel before the Court of XIV Additional Chief Metropolitan Magistrate, Hyderabad, Andhra Pradesh under section 138 of Negotiable Instruments Act. The complainant alleged that pursuant to their acceptance of the offer of the defendant for arranging a foreign letter of credit valuing USD 0.24 million (₹12.97 million) to import 400 metric tons of scrap, they remitted an amount of ₹ 1.62 million on August 16 2008 and an additional amount of ₹ 0.25 million on November 7, 2008 to the defendant. It is claimed by the plaintiffs that the defendant failed to arrange the said foreign letter of credit even after receipt of the said amounts. Upon several demands, the defendant agreed to refund the entire amount paid and issued a cheque bearing No. 242463 dated December 19, 2008. The said cheque was dishonoured when presented to the bank. Therefore the complainant issued a legal notice dated April 13, 2009 to pay the cheque amount within 15 days from the date of the receipt. The defendant failed to do so and hence, this suit has been filed seeking compensation under section 357 of the criminal procedure code. The matter is currently pending before the Court of XIV Additional Chief Metropolitan Magistrate, Hyderabad, Andhra Pradesh.

(b) BCSL filed a suit bearing O.S. No. 433 of 2009 against Kamrup Industries Gases Limited before the Court of the XIII Additional Chief Judge (Fast Track Court) City Civil Courts, Hyderabad, Andhra Pradesh. The plaintiff alleged that its sister company i.e. our Company had accepted the offer of the defendant for the purchase of the oxygen plant at the rate of ₹ 5.85 million on November 14, 2006. As per the terms of the order the plaintiff had made an initial payment of ₹ 2.34 million (40.00% of the cost of the plant) to the defendant, in return the defendant was supposed to handover the said plant within four to five months, which it failed to do. Moreover, it demanded additional amounts from the plaintiff by enhancing 15.00% on the original cost. The plaintiff claims that they paid the enhanced amount, in spite of which despite the defendant did not handover the plant. The plaintiff has sought for the compensation of ₹ 1 million payable by the defendant with an interest of 18.00% p.a. The matter is currently pending before the Court of the XIII Additional Chief Judge (Fast Track Court) City Civil Courts, Hyderabad, Andhra Pradesh.

(c) BCSL filed a writ petition bearing W.P. No. 19515 of 2010 against the Andhra Pradesh Electricity Regulatory Commission, the Southern Power Distribution Company of Andhra Pradesh Limited, the Superintending Engineer and the Senior Accounts Officer before the High Court of Andhra Pradesh. The petition was filed under article 226 of the Constitution of India. The petitioner alleged that for the year 2008-09 the second respondent has issued tariff orders for electricity in terms of section 26(9) of the Andhra Pradesh Electricity Reforms Act, 1998 and section 62(4) of the Electricity Act, 2003 which came into effect on April 4, 2008 and April 4, 2009 respectively. The said orders were in force till March 31, 2009 and March 31, 2010 respectively. For the said two years, the second respondent had collected fuel surcharge. Later on, the Andhra Pradesh Power Coordination Committee which is a non-statutory body had submitted claims to the first respondent seeking fixation of fuel surcharge adjustment figures for the Financial Year 2008-2009. It is alleged that although the abovementioned bodies were not competent to submit any proposals, the first respondent entertained the said proposals and by its proceedings bearing Nos. APERC/Secy/Jt.Dir.(Tariff-Engg)/No.05, APERC/Secy/Jt.Dir.(Tariff-Engg)/No.06, APERC/Secy/Jt.Dir.(Tariff-Engg)/No.05, APERC/Secy/Jt.Dir.(Tariff-Engg)/No.08 dated June 5, 2010 permitted all the distribution companies in Andhra Pradesh to collect additional fuel surcharge from April 2008 to March 2009 by raising demands in the respective bills from July 2010 to June 2011. As per the said order, the second respondent had raised a bill on July 26, 2010 for July 2010 amounting to ₹ 0.20 million. Hence, in this petition the petitioner has sought for a writ of mandamus to for holding the said proceedings illegal and arbitrary, suspension of the operation of the same till the disposal of the petition and also to direct the second respondent to not insist on the petitioner paying the said amount. The matter is currently pending before the High Court of Andhra Pradesh.

15) **Chebrolu Hanumaiah and Brothers Private Limited**

(i) Cases filed against Chebrolu Hanumaiah and Brothers Private Limited

Nil

(ii) Cases filed by Chebrolu Hanumaiah and Brothers Private Limited

Nil

16) **DNN Realtors Private Limited**

(i) Cases filed against DNN Realtors Private Limited

Nil

(ii) Cases filed by DNN Realtors Private Limited

Nil

17) **Krishnaiah Projects Private Limited**

(i) Cases filed against Krishnaiah Projects Private Limited

Nil

(ii) Cases filed by Krishnaiah Projects Private Limited

Nil

18) **Krishna Institute of Medical Sciences**

(i) Cases filed against Krishna Institute of Medical Sciences

(a) Kamma Sanjeev Rao filed a complaint bearing CC No. 44 of 2010 against Krishna Institute of Medical Sciences (“**KIMS”)** and Dr. Bhaskar Rao before Andhra Pradesh State Consumer Dispute Redressal Commission under section 17(a)(1) of the Consumer Protection Act, 1986 (“**Consumer Protection Act**”)claiming medical negligence on the part of KIMS. It is the case of the complainant that he underwent a mitral valve replacement surgery on January 1, 2005 in KIMS hospital and that even after the surgery, he was continuously suffering from chest heaviness and breathing trouble, for which he visited the doctor at the KIMS hospital. The doctor directed him to visit the hospital every six months for checkups. The complainant claims that on February 13, 2008 for the first time, he was informed that the said surgery was not successful and that his heart valve was yet to be treated. The complainant claimed compensation of ₹ 2.50 million with an interest of 12.00% p.a. on the awarded sum together with the costs of the proceeding. KIMS in turn filed a counter affidavit stating that there had been no concealment of facts regarding the unsuccessfulness of the surgery and further contended that even though the complainant was advised by the hospital to visit the concerned doctor every six months for checkups, he did not do so till February 13, 2008, which clearly was a case of carelessness on the complainant’s part and hence, the complaint was liable to be dismissed. The matter is currently pending before the before Andhra Pradesh State Consumer Dispute Redressal Commission.

(b) Premlata & others filed a complaint bearing CC No. 128 of 2011 against KIMS before the District Consumer Forum III, Hyderabad under section 12 of Consumer Protection Act. It is the case of the complainant that her husband underwent a heart surgery in KIMS and was admitted to the hospital from July 25, 2005 to August 3, 2005. The complainant alleged that during the above treatment, blood was transfused to her husband, as a result of which he started suffering from other illnesses for which he visited KIMS hospital but no treatment was given. It is alleged that he was rendered HIV I positive as a result of the infusion of blood by KIMS. The complainants claimed an amount of ₹ 1.95 million along with an interest of 12.00% p.a. KIMS filed the counter claim stating that the blood that was used for infusion was procured from the blood bank with negative reports of infections. It was also stated by KIMS that as per medical literature, HIV infection cannot be detected when blood is collected from a donor and therefore, every unit of blood transfused had the risk of HIV, HCA and anti-HBC infection in spite of negative test reports of the blood. It was also contended by KIMS that between August 3, 2005 and November 1, 2007, the patient had obtained treatment from other doctors as well, and so there are eminent chances of him acquiring the infection through their treatment and therefore, the complaint of Premlata and others was liable to be dismissed. The matter is currently pending before the District Consumer Forum III, Hyderabad.

(c) Shashirekha & others filed a complaint bearing CC No. 289 of 2011 against the Maxivision Eye Hospital and KIMS hospital before District Consumer Forum, Hyderabad under section 12 of the Consumer Protection Act claiming medical negligence on the part of the hospitals. The complainant alleged that her husband had suffered an eye injury and was immediately taken to Maxvision Eye Hospital where the patient was administered with general anaesthesia without taking permission from the complainant. It was subsequently informed to the complainant that that the patient was required to be taken to KIMS hospital without actually disclosing the real condition of the patient. The patient was declared dead by KIMS Hospital, showing records which stated that the patient was brought dead by Maxivision Eye Hospital to KIMS hospital. The complainant alleges that the hospitals by colluding with each other, misinformed her that they were trying to revive the patient by administering various drugs and ultimately informed her that that he was dead. The complainants sought for compensation of ₹ 2 million from the hospitals with an interest of 18.00% p.a. A counter claim bearing has been filed by KIMS hospital on March 9, 2010 and the matter is currently pending before the District Consumer Forum, Hyderabad.

(d) Pally Srikanth and others filed a complaint bearing CC No. 49 of 2008 against KIMS hospital and three others before Andhra Pradesh State Consumer Dispute Redressal Commission under section 17(a) (1) of Consumer Protection Act. The complainant alleged that his wife was taken to KIMS hospital for a check-up as she was suffering from severe pain in her limbs and joints and was diagnosed and treated for *anterior horn cell disease-probable SMA-type III.* Subsequently it was discovered that the patient was suffering from thyroid and not from the diagnosed disease. It is alleged by the complainant that his wife was erroneously treated for the wrong disease Therefore, the complainant has sought for compensation of ₹ 9 million for the severe pain, loss of health and financial loss. KIMS hospital has filed a reply stating that the patient was diagnosed as probable case of spinal muscular atrophy and not definite and the same can be incurred by person up to the age of 60. Also, it was contended that although she was advised to review the diagnosis after a certain period she did not follow up. A rejoinder bearing No. 1/RIN/2007 was filed by the complainants on September 9, 2007 to the reply given by KIMS and others. The matter is currently pending before the Andhra Pradesh State Consumer Dispute Redressal Commission

(e) Y Rama Devi filed a consumer case bearing CC No. 289 of 2011 before the District Consumer Forum I, Hyderabad. It is the claim of Rama Devi that she underwent total hip replacement for Juvenile Rheumatic Arthritis in May 2009 and performed by Dr. A.V. Gurava Reddy, KIMS Hospital. It is alleged that post-operation, she found her left foot drop. The complainant states that Dr. Gurava Reddy advised physiotherapy but there was no improvement. She therefore referred the matter to the forum claiming negligence on the part of the KIMS authorities and claimed an amount of ₹ 1.95 million as compensation. The matter is currently pending before the District Consumer Forum I, Hyderabad.

(f) J.V. Shashank filed a consumer case bearing CC No. 88 of 2012 before the District Consumer Forum II, Hyderabad against KIMS Hospital. It is the claim of the complainant that he was referred to KIMS from Guntur for treatment of the injuries sustained by him at the cricket ground. It is his claim that, he was examined by an orthopaedic surgeon and referred to a neurologist for evaluation who further recommended few tests. The ENMG study showed demyelinising motor sensory neuropathy predominantly involving the lower limbs and treatment was given for the same. Subsequently he was diagnosed with dorsal vertebral haemangioma after an MRI was conducted. The complainant therefore alleged that the first diagnosis was incorrect resulting in unnecessary expenditure and therefore claimed an amount of ₹ 2.50 million as compensation. The matter is currently pending before the District Consumer Forum II, Hyderabad.

(g) BG Sreedevi and other filed a consumer case bearing CC No. 29 of 2012 before the District Consumer Forum II, Hyderabad against KIMS. It is the case of the complainant that her husband BG Sridhar had met with an accident and was given immediate treatment in Kurnool Govt General Hospital for brain haemorrhage for 13 days and subsequently shifted to KIMS. He was discharged from KIMS in a stable condition, however after 45 days of his treatment, he had a fall and slipped into a coma. He was shifted to KIMS and diagnosed with cerebral angio and an immediate surgery was performed, but he expired post surgery. It is the claim of the complainant that if a CT brain angiogram or surgical intervention had been advised by the doctors at the time of the treatment, the bleeding in the brain could have been detected and that it was a case of medical negligence. The total compensation claimed is ₹ 9 million and the matter is currently pending before the District Consumer Forum II, Hyderabad.

(ii) Cases filed by Krishna Institute of Medical Sciences Limited

Nil

19) **Seenaiah Constructions Private Limited**

(i) Cases filed against Seenaiah Constructions Private Limited

Nil

(ii) Cases filed by Seenaiah Constructions Private Limited

Nil

20) **Sri BDL Dhatri Developers Limited**

(i) Cases filed against Sri BDL Dhatri Developers Limited

Nil

(ii) Cases filed by Sri BDL Dhatri Developers Limited

Nil

21) **Sri BDL Dreamlands Private Limited**

(i) Cases filed against Sri BDL Dreamlands Private Limited

Nil

(ii) Cases filed by Sri BDL Dreamlands Private Limited

Nil

22) **Sri BDL Properties Private Limited**

(i) Cases filed against Sri BDL Properties Private Limited

Nil

(ii) Cases filed by Sri BDL Properties Private Limited

Nil

23) **Sri BDL Real Estates Private Limited**

(i) Cases filed against Sri BDL Real Estates Private Limited

Nil

(ii) Cases filed by Sri BDL Real Estates Private Limited

Nil

24) **Sri BK and BS Realtors Private Limited**

(i) Cases filed against Sri BK and BS Realtors Private Limited

Nil

(ii) Cases filed by Sri BK and BS Realtors Private Limited

Nil

25) **Sri BKN Estates Private Limited**

(i) Cases filed against Sri BKN Estates Private Limited

Nil

(ii) Cases filed by Sri BKN Estates Private Limited

Nil

26) **Sri Krishnaiah Property Developers Private Limited**

(i) Cases filed against Sri Krishnaiah Property Developers Private Limited

Nil

(ii) Cases filed by Sri Krishnaiah Property Developers Private Limited

Nil

27) **Traditional Bharat Kala Arts & Crafts**

(i) Cases filed against Traditional Bharat Kala Arts & Crafts

Nil

(ii) Cases filed by Traditional Bharat Kala Arts & Crafts

Nil

Miscellaneous Litigation

In addition to the aforementioned litigation involving our Company, our Promoters, our Directors, our Group Companies, our Subsidiaries and Unincorporated Joint Ventures, we have one case filed by the Bollineni Krishnaiah Charitable Trust, the details of which are mentioned herein below.

a) Bollineni Krishnaiah Charitable Trust represented by its managing trustee, D. Venkayyanayudu filed a claim petition bearing No. 257 of 2002 against M/s. Rao Investments, S. Nagarjuna Rao and Patan Saidali Khan before the Court of the Principal Senior Civil Judge, Nellore in relation to an execution petition bearing No. 48 of 2006. This petition is with regard to a claim by Patan Saidali Khan for realization of a money decree by attachment of the property admeasuring 7 acres and 48 cents in patta Nos. 365, 329, 132 and 101. The petitioners have requested for the raising of the attachment order. The matter is currently pending before the Court of the Principal Senior Civil Judge, Nellore.

Material developments since September 30, 2012

For the details of material developments since September 30, 2012, see section titled "***Management's Discussion and Analyis of Financial Condition and Results of Operations - Significant Developments after September 30, 2012***" on page 273.

GOVERNMENT APPROVALS

In view of the approvals listed below, the Company can undertake this Fresh Issue and its current business activities and except as disclosed below, no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Fresh Issue or continue the Company's business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

For further details in connection with regulatory and legal framework within which we operate, see section titled *"**Regulation and Policies**"* at page 173.

I. Incorporation Details

1. Certificate of incorporation bearing No. 01-29154 of 1997-98 dated March 31, 1998 issued by the RoC issued to the Company under the name and style of B. Seenaiah & Company (Projects) Limited.

2. Certificate of commencement of business dated April 3, 1998 issued by the RoC to the Company.

3. Fresh certificate of incorporation dated July 14, 2008 issued by the RoC, consequent upon change of name of the Company from B. Seenaiah & Company (Projects) Limited to BSCPL Infrastructure Limited.

II. Approvals in relation to the Issue

1. Board Resolution dated February 21, 2013 approving the Fresh Issue.

2. Shareholders Resolution dated February 25, 2013 approving the Fresh Issue.

3. In principle approval dated [●] from the BSE.

4. In principle approval dated [●] from the NSE.

5. Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

III. Business Approvals - Project Wise

A. *<u>Afghan Building Construction Project</u>*

The Company has entered into a joint venture with C&C Constructions Limited to construct the Afghan Parliament and the Indian Chancery Building at Kabul.

1. Letter of acceptance bearing No. 54(16)/CPWD/Kabul/2008/240, dated November 24, 2008 issued by the Central Public Works Department, Embassy of India, Kabul, Afghanistan to BSC C&C JV accepting the tender for construction of the Afghan Parliament and Indian Chancery Building at Kabul.

2. Letter bearing No. 54(16)/CPWD/Kabul/2008/273, dated December 16, 2008 issued by the Central Public Works Department, Embassy of India, Kabul, Afghanistan to BSC C&C JV requesting BSC C&C JV to take possession of the site and to commence work.

3. Letter bearing No. 54(16)/CPWD/Kabul/2011/353 dated May 7, 2012 issued by the Central Public Works Department, Embassy of India, Kabul, Afghanistan to BSC C&C JV extending the date for completion of the work with respect to the Afghan Parliament and Indian Chancery Building at Kabul till June 30, 2013.

B. *<u>DFCCIL Project</u>*

The Company was awarded the railway freight corridor project by DFCCIL, New Delhi, and has entered into a joint venture with C&C Constructions Limited for designing, constructing and other related infrastructural works for dedicated freight corridor in the States of Bihar and Uttar Pradesh.

1. Certificate of registration bearing No. BCWR-20/2009/ALC-I, dated April 8, 2009 issued by the office of the Regional Labour Commissioner (Central) under sub-section (3) of section 7 of the Building and Other Construction Workers (Regulation of Employment of Conditions of Service) Act, 1996 ("**BOCW Act**") to BSC C&C JV in relation to employment of workers for designing and constructing of formation including blanketing, major bridges, minor bridges, rubs, robs, supply and spreading of ballast and other related infrastructural works for dedicated freight corridor from chainage km 14.11, from new Karanwadia to chainage km 119.44, New Ganj Khwaja (approximately 105 kms) from Sone Nagar.

C. *Meghalaya Road Project*

The Company has entered into a joint venture with C&C Constructions in relation to two laning of Nongstoin - Shillong section of NH-44, Nongstoin – Rongjen - Tura road in the State of Meghalaya.

1. Certificate of license for trading by non - tribals bearing No. K/C 00001, dated March 15, 2012 issued by the Licensing Officer, Khasi Hills Autonomous District Council, Shillong to BSC C&C JV. The license is valid up to March 31, 2013.

2. License bearing No. 998, dated January 4, 2011 issued by the Government of Meghalaya, Office of Licensing Officer to BSC C&C JV under section 12(1) of the Contract Labour (Regulation & Abolition) Act, 1970 ("**CLRA Act**"). The license was valid till March 31, 2012. The said license was renewed on February 27, 2012 and is now valid up to March 31, 2013.

3. Taxpayer Identification No. 17130243069, dated February 18, 2011 issued by the Tax Department, Meghalaya to BSC C&C JV under section 31 of the Meghalaya Value Added Tax Act, 2003. The same is valid until cancelled.

4. Registration bearing No. 17130243263, dated February 18, 2011 issued by the Central Sales Tax Department, Meghalaya to BSC C&C JV under section 7(2) of the Central Sales Tax Act, 1956 ("**CST Act**") read with the Central Sales Tax (Registration and Turnover) Rules, 1957. The same is valid until cancelled.

5. NOC bearing No. 496-Adm (F)/2010/714, dated May 30, 2011 issued by the Office of the Chief Inspector of Boilers and Factories, Shillong, Meghalaya to BSC C&C JV for setting up of a factory for the purpose of manufacturing stone chips and carrying out hot mix, WMM and batching plants processes at Kynshi, Mawpun (Raingdo), Suangre (Shahlang) and Rongkhem (Samanda). NOC is valid till the completion of the project.

6. NOC bearing No. 72, dated July 26, 2011 issued by the Government of Meghalaya, Office of the Divisional Forest Officer, Garo Hills Division, Tura to BSC C&C JV for installation of stone crusher unit, hot mix plant, wet mix macadam plant and batching plant at Samanda A 'Khing'. The NOC is valid till the completion of the project.

7. NOC bearing No. KH/Stone Crusher/2010-11/3869-71, dated July 4, 2011 issued by Government of Meghalaya, Office of the Divisional Forest Officer, Khasi Hills Division, Meghalaya, Shillong to BSC C&C JV for setting up of batching plant at Kynshi, Mawpun and Suangre village for installation of machinery for mixing of materials. The NOC is valid till the completion of the project.

8. Tax Deduction Account bearing No. SHLB02326C, dated April 2, 2011 issued by the National Securities Depository Limited to BSC C&C JV.

9. Trading by non-tribal license bearing No. 13960, dated June 22, 2011 issued by Garo Hills, Autonomous District Council, Tura to BSC C&C JV**.**

10. Consent bearing No. MPCB/CON-92/2011/2012-2013, dated April 25, 2012, issued by the Meghalaya Pollution Control Board in favour of BSC C&C JV under sections 25 and 26 of the Water (Prevention and Control of Pollution) Act, 1974 (the "**Water Act**") and section 21 of the Air (Prevention and Control of Pollution) Act, 1981 (the "**Air Act**") for operating a 200 MT/Hr wet mixing plant at Kynshi Village

(Camp-1) in West Khasi Hills district of Meghalaya. The consent is valid up to April 30, 2013.

11. Consent bearing No. MPCB/CON-93/2011/2012-2013/2, dated April 25, 2012, issued by the Meghalaya Pollution Control Board in favour of BSC C&C JV under sections 25 and 26 of the Water Act and section 21 of the Air Act for operating a 200 MT/Hr wet mixing plant at Mawpun Village, Riangdo (Camp-2) in west Khasi hills district of Meghalaya. The consent is valid up to April 30, 2013.

12. Consent bearing No. MPCB/CON-90/2011/2012-2013/2, dated April 25, 2012, issued by the Meghalaya Pollution Control Board in favour of BSC C&C JV under sections 25 and 26 of the Water Act and section 21 of the Air Act for operating a 200 MT/Hr wet mixing plant at Suangre Village (Camp-3) in West Khasi Hills district of Meghalaya. The consent is valid up to April 30, 2013.

13. Consent bearing No. MPCB/CON-91/2011/2012-2013/2, dated April 10, 2012, issued by the Meghalaya Pollution Control Board in favour of BSC C&C JV under sections 25 and 26 of the Water Act and section 21 of the Air Act for operating a 200 MT/Hr. wet mixing plant at Rongkhem Samanda Village (Camp-3) in West Khasi Hills district of Meghalaya. The consent is valid up to March 31, 2013.

D. ***Pile Foundation Projects***

The Company has entered into a joint venture with C&C Constructions for providing pile foundation work including boring in all kinds of soil including weathered rock, hard rock, shale etc., in Biswanath Chariyali, Balipara and Bongaigaon.

1. License bearing No. GH.57/37/2011-G/A, dated May 2, 2011 issued by the Office of the Registering Officer, Zoo Narengi Road, Guwahati to BSC C&C JV granted under sub-section 3 of section 7 of the BOCW Act and rules made there under for pile foundation package PI.

2. License bearing No. GH.46/84/2011-L-G/A, dated May 2, 2011 issued by the Office of Assistant Labour Commissioner (Central), Zoo Road, Tiniali, Guwahati to BSC C&C JV granted under section 12(1) of the CLRA Act for pile foundation package P2 in the establishment of PGCI Limited, Tejpur, Balipara. The same was valid till May 1, 2012. The said license has been renewed vide letter dated May 9, 2012 and is now valid up to May 1, 2013.

3. License bearing No. 57(36)2011-G/A, dated May 2, 2011 issued by the Office of Assistant Labour Commissioner (Central), Zoo Road, Tinali, Guwahati to BSC C&C JV granted under section 7(3) of the BOCW Act read with rule 24 of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 1998 ("**BOCW Rules**") for pile foundation package PII.

4. License bearing No. GH.46 (83)/2011- L, dated May 2, 2011 issued by the Office of Assistant Labour Commissioner (Central), Zoo Road, Tiniali, Guwahati to BSC C&C JV granted under section 12(1) of the CLRA Act for pile foundation package P1 in the establishment of Powergrid, Tezpur, Balipara. The same was valid till May 1, 2012. The said license has been renewed vide letter dated May 9, 2012 and is now valid up to May 1, 2013.

5. License bearing No. 57(35)2011-G/A, dated May 2, 2011 issued by the Office of Assistant Labour Commissioner (Central), Zoo Road, Tinali, Guwahati to BSC C&C JV granted under section 7(3) of the BOCW Act read with rule 24 of the BOCW Rules for pile foundation package PI.

6. License bearing No. GH.46 (85)/2011- L, dated May 2, 2011 issued by the Office of Assistant Labour Commissioner (Central), Zoo Road, Tiniali, Guwahati to BSC C&C JV granted under section 12(1) of the CLRA Act for pile foundation package P1 in the establishment of powergrid, Tezpur, Biswanth Chariyali. The same was valid till May 1, 2012. The said license has been renewed vide letter dated May 9, 2012 and is now valid up to May 1, 2013.

7. Permission to pay composition amount has been granted vide letter dated July 14, 2011 by the Office of Assistant Commissioner of Tax to BSC C&C JV which holds a general registration No. 18450143700 under the composition scheme for works contract subject to the Assam Value Added Tax, 2003. The same

was valid till March 31, 2012. The said permission has been renewed vide letter dated April 11, 2012 and is now valid up to March 31, 2013.

8. Certificate bearing No. 18499934165, dated May 20, 2011 issued by the Office of Assistant Commissioner of Tax to BSC C&C JV thereby registering it as the dealer under section 7(2) of the CST Act. The same is valid with effect from April 4, 2011 until cancelled.

9. Certificate bearing No. 129345, dated April 4, 2011 issued by Guwahati Municipal Corporation to BSC C&C JV under section 180 of the Guwahati Municipal Corporation, 1969. The same was valid till March 31, 2012. The said certificate was renewed on May 11, 2012 and is now valid up to March 31, 2013.

E. ***Godhra Road Project***

The project is being developed by BSCPL Godhra, in which our Company currently hold 100% of the share capital through BSCPL Infra Projects Limited. The project includes four laning of Godhra to Gujarat/Madhya Pradesh Border section of NH-59 from km 129.30 to km 215.90 in the State of Gujarat in respect of which a concession agreement dated February 25, 2010 has been entered into between NHAI and BSCPL Godhra.

1. Letter bearing No. 8-15/2011-FC dated May 11, 2011 issued by the Ministry Of Environment and Forests ("**MOEF**") in favour of NHAI giving environmental clearance for widening, strengthening and four laning of NH-59 Ahmedabad- Gujarat/ Madhya Pradesh border from km 4/200 to km 215/900 in Panchmahal and Dahod Districts of Gujarat.

2. License bearing No. P/WB/GJ/11/24055(P280599), dated October 18, 2011 issued by the Office of Deputy Controller of Explosives, Vadodara Sub Circle, Vadodara, granting permission to transport petroleum class A or class B in bulk on land by the vehicle described (being A/L CG 1613 COMET GOLD registered as No. GJ-20/U-4061) with an authorized carrying capacity of 11 KL. The license is valid up to December 31, 2013.

3. License bearing No. P/WB/GJ/11/24057(P280593), dated October 18, 2011 issued by Office of Deputy Chief Controller of Explosives, Vadodara Sub Circle, Vadodara, granting permission to transport petroleum class A or class B in bulk on land by the vehicle described (being A/L CG 1613 COMET GOLD registered as No. GJ-20/U-4612) with an authorized carrying capacity of 11 KL. The license is valid up to December 31, 2013.

4. Certificate bearing No. 175/20 of 2011, dated January 02, 2010, issued by the Assistant Controller of Legal Metrology, Dahod, for two electronic weighing scales of 300kg each (Sr. No. 1820 and 1821). The certificate was valid up to November 15, 2012. The certificate has been renewed on November 7, 2012 and is now valid up to November 7, 2013.

5. Confirmation bearing No. NHAI/PIU- Godhra/NH-59/506, dated March 15, 2011 issued by NHAI to the Project Director, BSCPL Godhra informing the company that the appointment date for the project is March 1, 2011.

6. License bearing No. ALC/ADI/46 (85)/ 2011, dated April 7, 2011 issued by Office of the Regional Labour Commissioner (Central), Ahmedabad, Gujarat to the Company under section 12 (1) of the CLRA Act in relation to four laning of the Godhra to Gujarat/Madhya Pradesh border section NH-59 from km 129.30 to km 215.90 in the State of Gujarat on design, build, finance, operate and transfer basis. The license was valid up to April 7, 2011 and was renewed vide letter dated March 21, 2012, issued by the Office of the Assistant Labour Commissioner, Ahmedabad. The license is now valid up to April 6, 2013 for the above mentioned work and for 300 workers.

7. Certificate of registration bearing No. 24180402103, dated February 24, 2010 issued by Commercial Tax Department, Dahod, Gujarat certifying that the Company, having its chief place of business at Plot No. 32/8131/44, Shankar Nagar, Near Garbada Chokadi, Dahod, Gujarat has been registered under the Gujarat Value Added Tax Act, 2003 with effect from February 8, 2010.

8. Certificate of registration bearing No. 24680402103, dated February 24, 2010 issued by the Commercial Tax Officer, Dahod, Gujarat certifying that the Company, having its principal place of business at Plot No. 32/8131/44, Shankar Nagar, near Garbada Chokadi, Dahod, Gujarat has been registered as an employer under sections 7 (1) and 7(2) of the CST Act. The certificate is valid until cancelled.

9. Professional tax license bearing No. R1804003027, dated December 13, 2010 issued by the Commercial Tax Officer, Dahod certifying that the Company located at Rampura, Dahod, Gujarat has been registered as an employer under section 5(1) of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976.

10. Consent order bearing No. AWH-40574, dated February 8, 2011 issued by Gujrat Pollution Control Board, Gandhinagar, Gujarat to the Company under section 25 of the Water Act, section 21 of the Air Act and rules 3 (c) and 5 (5) of the Hazardous Waste Management Rules, 1989 ("**HWM Rules**") for discharge of trade effluent and emission due to the stone crushing operation of the industrial plant at Ramapura, Dahod, Gujarat. The Company has also been granted an authorization to operate a facility for collection and storage of hazardous waste within the premises situated at plot/survey Nos. 21, 22 and 23, Ramapura, Dahod, Gujarat and for treatment, transportation and ultimate disposal of the hazardous waste. The consent and the authorization are valid up to January 6, 2016.

11. Consent order bearing No. AWH-40575, dated February 8, 2011 issued by Gujrat Pollution Control Board, Gandhinagar, Gujarat to the Company under section 25 of the Water Act, section 21 of the Air Act and rules 3 (c) and 5 (5) of the HWM Rules for discharge of trade effluent and emission due to operation of the industrial plant at Panchela, Devgadhbariya, Dahod, Gujarat for manufacture of concrete mixture. The Company has also been granted an authorization to operate a facility for collection and storage of hazardous waste within the premises situated at plot/survey Nos. 248/P1, 249 and 250, Panchela, Devgadhbariya, Dahod, Gujarat and for treatment, transportation and ultimate disposal of the hazardous waste. The consent and the authorization are valid up to January 6, 2016.

12. Consent order bearing No. AWH-40658, dated February 14, 2011 issued by Gujarat Pollution Control Board, Gandhinagar, Gujarat to the Company under section 25 of the Water Act, section 21 of the Air Act and rules 3 (c) and 5 (5) of the HWM Rules for discharge of trade effluent and emission due to operation of the industrial plant at Saliya, Godhra, Gujarat for manufacture of concrete mixture and stone crushing. The Company has also been granted an authorization to operate a facility for collection and storage of hazardous waste within the premises situated at plot/survey Nos. 240, 241 and 252, Saliya, Godhra, Gujarat and for treatment, transportation and ultimate disposal of hazardous waste. The consent and the authorization are valid up to January 6, 2016.

13. Consent order bearing No. AWH-40582, dated February 9, 2011 issued by Gujarat Pollution Control Board, Gandhinagar, Gujarat to the Company under section 25 of the Water Act, section 21 of the Air Act and rules 3 (c) and 5 (5) of the HWM Rules for use of outlet for the discharge of trade effluent and emission due to operation of the industrial plant at Katwara, Dahod, Gujarat for manufacture of concrete mixture. The Company has also been granted an authorization to operate a facility for collection and storage of hazardous waste within the premises situated at plot/survey Nos. 8/2BA and 8/3BA, Katwara, Dahod, Gujarat and for treatment, transportation and ultimate disposal of hazardous waste. The consent and the authorization are valid up to January 6, 2016.

14. License bearing No. P/WC/GJ/14/3928 (P250600), dated March 21, 2011 issued by Petroleum and Explosives Safety Organization, Navi Mumbai, to BSCPL Infrastructure Limited under Petroleum Rules, 2002 ("**Petroleum Rules**"). The license has been issued for the storage of 40 KL petroleum class A and 40 KL petroleum class B in bulk at premised located at survey Nos. 248/1 and 250, Panchela (Piplod), Dahod, Gujarat. The license is valid up to December 31, 2013.

15. A Certificate of registration bearing No. ALC/ADI/56/R (36)/2011, dated April 7, 2011 issued by Office of the Regional Labour Commissioner (Central), Ahmedabad. The certificate has been granted to our Company under section 7 of the BOCW Act, 1996 for four laning of Godhra to Gujarat/Madhya Pradesh border section of NH-59 from km 129.30 to km 215.90 in the State of Gujarat on a design, build, finance, operate and transfer basis in the establishment of Project Director, NHAI, Godhra (Godhra 57), location

where building and other construction work is being carried on.

16. Acknowledgement bearing No. DIC/DAH/EM/Part-1/476, dated June 1, 2010 issued by the District Industries Centre, Dahod, Gujarat acknowledging filing of entrepreneur's memorandum by the Company for setting up a medium manufacturing enterprise at Ramapura, Dahod, Gujarat in relation to the proposed activity of crushing of stone. The acknowledgement was valid for a period of two years from the date of issue. Subsequently, Acknowledgment bearing No. DIC/DAH/EM/Part 2/52 dated March 15, 2011 was issued by the District Industries Centre, Dahod, Gujarat acknowledging the details of plant and machinery investments in the medium manufacturing enterprise set up by the Company at Ramapura, Dahod, Gujarat.

17. Acknowledgement bearing No. DIC/PM/EM/Part-1/321, dated July 12, 2010 issued by the District Industries Centre, Panchmahal, Gujarat acknowledging filing of entrepreneur's memorandum by the Company for setting up a small manufacturing enterprise at Godhra, Panchmahal, Gujarat in relation to the proposed activity of crushing of stone. The acknowledgement was valid for a period of two years from the date of issue. Subsequently Acknowledgment bearing No. DIC/PM/EM/Part 2/203 -1042 dated March 31, 2011 was issued by District Industries Centre, Dahod, Gujarat acknowledging the details of plant and machinery investments in the medium manufacturing enterprise set up by the Company at Panchmahal, Gujarat.

18. Acknowledgement bearing No. DIC/DAH/EM/Part-1/789, dated December 4, 2010 issued by the District Industries Centre, Dahod, Gujarat acknowledging filing of entrepreneur's memorandum by the Company for setting up a medium manufacturing enterprise at Ramapura, Dahod, Gujarat in relation to the proposed service of hot mixing and batching plant. The acknowledgement was valid for a period of two years from the date of issue. Subsequently acknowledgment bearing No. 2152 dated March 16, 2011 was issued by District Industries Centre, Dahod, Gujarat acknowledging the details of plant and machinery investments in the medium manufacturing enterprise set up by the Company at Ramapura, Dahod, Gujarat.

19. Certificate of Registration bearing No. AGD/GMR/Registration/35/2840, dated December 2, 2010 granted by the Office of the Assistant Geologist, Geology and Mining Department, Dahod, Gujarat to the Company for processing, storing, selling and trading sand, black trap, soft and hard murram and gravel minerals for 3.03.52 and 3.86.00 hectares at its premises situated at survey Nos. 21 and 22, Rampura, Dahod, Gujarat.

20. Certificate of Registration bearing No. AGD/GMR/Registration/36/2574, dated October 16, 2010 granted by the Office of the Assistant Geologist, Geology and Mining Department, Dahod, Gujarat to the Company for processing and storing of sand, black trap, soft and hard murram, gravel minerals for 1.52.77 and 1.33.55 hectares at its premises situated at survey Nos. 248/1, 249/2 and 250, Panchela, Devgadhbariya, Dahod, Gujarat.

21. Certificate of Registration bearing No. AGD/GMR/Registration/37/2573, dated October 16, 2010 granted by the Office of the Assistant Geologist, Geology and Mining Department, Dahod, Gujarat to the Company for processing and storing of sand, black trap, soft and hard murram, gravel minerals for 0.21.25 and 0.33.39 hectares at its premises situated at survey Nos. 8/2 BA and 8/3 BA, Katwara, Dahod, Gujarat.

22. License bearing No. P/WC/GJ/14/3858(P248150), dated October 25, 2010 issued by the Chief Controller of Explosives, West Circle, Mumbai, Maharashtra to the Company in relation to storage of 40 KL petroleum class B in tanks at its premised situated at survey No.1/5/D-2, Rampura, Dahod, Gujarat. The license was valid up to December 31, 2012. The license was extended vide letter up to December 18, 2012 and is now valid up to December 31, 2014.

23. License bearing No. AGD/REG/4543/4549, dated August 3, 2010 issued by the Office of Assistant Geologist, Geology and Mining Department, Godhra to the Company for processing and storing of morrum, hard murrum ordinary sand, black trap, gravel, quartzite etc.

F. *Deveihalli-Hassan Project*

The Company has been awarded a contract for four laning of Deveihalli - Hassan section from km 110.00 km to 189.50 of NH-8 including a new two lane with paved shoulders bypass for Channarayanapatna town and widening of existing Hassan bypass to two lane with paved shoulders in the State of Karnataka.

1. License bearing No. E/SC/KA/22/361(E21506), dated March 08, 2006 issued by Office of Joint Chief Controller of Explosives, South Circle, Chennai granting license to possess nitrate mixture, detonating mixture, safety fuse, electric and/or ordinary detonators for use, in survey No. 34, Chandapura, Hassan, Karnataka. The license was valid up to March 31, 2012. The said license has been renewed by the Deputy Chief Controller of Explosives, Mangalore, vide letter dated February 23, 2012 and is now valid up to March 31, 2014.

2. Combined consent order bearing No. 50 KSPCB/EO (HSN)/DEO/SO/BSCPLIL/2012-13/1173 dated October 25, 2012 issued by the Environment Officer, Regional Office-Hassan to the Company under sections 25 and 26 of the Water Act, section 21 of the Air Act and rules made there under, authorising operation of industrial plant and discharge of effluents and emissions as detailed therein, thereby renewing combined Consent order bearing No. 36/KSPCB/ZP (MYS) SO/2011-12/210, dated November 30, 2011 issued for the said site. The consent is valid from July 1, 2012 to August 16, 2013 in respect of Company's plant at survey Nos. 53 and 9, Muddanahalli Village, Channarayapatna Taluk, Hassan District, Karnataka.

3. Combined consent order bearing No. 16 KSPCB/EO (HSN)/AEO/SR/2012-13/547 dated July 10, 2012 issued by the Environment Officer, Regional Office-Hassan to the Company under sections 25 and 26 of the Water Act, section 21 of the Air Act and rules made there under, authorising operation of hot mix plant and wet mix plant and discharge of effluents and emissions as detailed therein, thereby renewing consent order bearing No. 182/PCB/MIN/CFO/2011-12/878, dated February 10, 2012.The consent is valid from July 1, 2012 to June 30, 2013 with respect to the Company's plant at survey No. 9, Muddenahalli Village, Dandiganahalli Hobli, Channarayapatna Taluka, Hassan District, Karnataka.

4. Combined consent order bearing No. 49 KSPCB/EO (HSN)/DEO/SO/BSCPLIL/2012-13/1172 dated October 25, 2012 issued by the Environment Officer, Regional Office-Hassan to the Company under section 25/26 of the Water Act, section 21 of the Air Act and rules made there under, authorising operation of industrial plant and discharge of effluents and emissions as detailed therein, thereby renewing combined Consent order bearing No. 37/KSPCB/ZP (MYS) SO/2011-12/212, dated November 30, 2011 issued for the said site. The consent is valid from July 1, 2012 to August 16, 2013 in respect of Company's plant at survey No. 8/3, Rajapura Village, Shravanabelagola Hobli, Channarayapatna Taluka, Hassan District, Karnataka.

5. Certificate of registration dated May 11, 2012 issued by Assistant Commissioner of Commercial Taxes, Hubli, Karnataka to the Company evidencing allotment of taxpayer identification number being No. 29830491588 and certifying that the Company, having its principal place of business at Uday Ravi, Prashant Colony, Vidyanagar, Hubli, Karnataka and having two other additional places of business is a registered dealer under section 22 of the Karnataka Value Added Tax Act, 2003 ("**KVAT Act**"). The certificate is valid until cancelled.

6. Certificate of registration bearing No. P03712725 dated October 28, 2010 issued by Commercial Taxes Department, Karnataka to the Company registering its office at Sampige Road, Channarayapatna, Hassan, Karnataka as an employer under the Karnataka Tax on Professions, Traders, Calling and Employment Act, 1976.

G. ***<u>Chilkaluripet-Nellore Road Project</u>***

The Company has been awarded a contract for six laning of Chilkaluripet - Nellore section of NH-5 from km 1182.80 to km 1366.55 in the State of Andhra Pradesh.

1. Certificate of Registration bearing No. AAACB8316KEM003, dated April 10, 2012 issued by the Deputy Commissioner of Central Excise to the Company, for operating as a manufacturer of excisable goods at NH-5, Anamanamur Village, Korisapadu Mandal, Prakasam District, Andhra Pradesh, on the basis of application dated March 27, 2012. The certificate is valid till the registrant carries on the activity for which it has been issued or surrenders or revokes the same.

2. The Department of Mines and Geology, Ongole, has vide proceeding bearing No. 6410/Q/2011, dated August 04, 2011, passed the order granting a quarry lease for gravel over an extent of 14.00 acres in survey No. 519/ (P) of Sanampudi Village, Prakasam District, in favour of the Company. The lease is valid for a period of five years, i.e. up to August 3, 2016.

3. License bearing No. P/SC/AP/14/6067(P264850), issued by the Controller of Explosives, South Circle, Chennai, dated November 23, 2011, granting license for a petroleum Class B retail outlet/service station at survey No. 454/3C at K. Bitragunta Village, Jargumalli Mandal, Prakasam District Andhra Pradesh. The license is valid up to December 31, 2013.

4. Reference bearing No. 1200/10/NHAI/PIU/NELLORE/2011-17306 dated September 23, 2011 issued by NHAI to Simhapuri Expressway Limited that the appointment date for the project is November 1, 2011.

5. Letter bearing No. 10-58/2010 - IA - III dated November 14, 2011 issued by the MOEF giving environmental clearance for six laning of Chilkaluripet to Nellore section of the NH-5 from km 1182.80 to km 1366.55 (including 10.13 km long new Ongole bypass) in the State of Andhra Pradesh.

6. License bearing No. P/SC/AP/14/5875 (P264852) dated May 11, 2011 issued by Petroleum and Explosives Safety Organisation, Egmore, Chennai, to our Company under the Petroleum Rules, 2002. The license has been issued for the storage of 40 KL petroleum class A and 40 KL petroleum class B in bulk at Anamanamuru Road, survey Nos. 128/1A, 1A3, ICI, IC3, Bodduvanipalam, Korisapadu, Prakasam, Andhra Pradesh. The license was valid up to December 31, 2011. The said license was renewed on January 31, 2012 and is now valid up to December 31, 2014

7. License to work a factory bearing No. 17492 dated July 16, 2011 issued by the Inspector of Factories, Ongole- 2 to the Company. The license is valid until cancelled.

8. License to work a factory bearing No. 15969 dated July 16, 2011 issued by the Inspector of Factories, Ongole-1 to the Company. The license is valid until cancelled.

9. License to work a factory bearing No. 15970 dated July 16, 2011 issued by the Inspector of Factories, Ongole-1 to the Company. The license is valid until cancelled.

10. License to work a factory bearing No. 44481 dated July 24, 2008 issued by the Inspector of Factories, Ongole to the Company for the premises located at Thiruveedhi Padu, Dagadarthi. The license is valid until cancelled.

11. License bearing No. 120/2011 dated June 24, 2011 issued by the Office of the Assistant Labour Commissioner, Vijayawada to the Company under the CLRA Act, which was valid upto June 23, 2012. The said license has been renewed on May 17, 2012 and is now valid up to June 23, 2013.

12. Registration bearing No. 91/2011 dated June 24, 2011 issued by the Office of the Assistant Labour Commissioner, Vijayawada to the Company under the BOCW Act.

13. License bearing No. E/SC/AP/22/220(E8419) dated January 22, 2002 issued by the Petroleum and Explosives Safety Organisation, Hyderabad to the Company in relation to possession for use of explosives such as nitrate mixture, electronic detonator, safety fuse and ordinary detonator from magazine situated at survey No. 283/1, Mari Radius, Sangam, Nellore, Andhra Pradesh. The license is valid up to March 31, 2013.

14. License bearing No. E/SC/AP/22/1143(E58166) dated July 28, 2011 issued by Joint Chief Controller of Explosives, South Circle, Chennai and Letter dated October 10, 2011, issued by the Deputy Chief Controller of Explosives, Hyderabad, in favour of the Company in relation to possession for use of explosives such as nitrate mixture, electronic detonator, safety fuse and ordinary detonator from magazine situated at survey No. 128/1A, Bodduvani Palam, Korisapadu, Prakasam, Andhra Pradesh. The license is valid up to March 31, 2016.

15. Sanction bearing Procs. No. 3122/Q/2002 dated January 17, 2003 issued by the Department of Mines and

Geology, Nellore, Andhra Pradesh to the Company in relation to commencement of quarrying operations for extraction of road metal over an extent of 1.5 acres at survey No. 47/1(P), Thiruveedhi Padu, Dagadarthi, Nellore, Andhra Pradesh and the same is valid up to January 16, 2018.

16. Sanction bearing Procs. No. 2045/Q/2004 dated December 14, 2005 issued by the Department of Mines and Geology, Nellore, Andhra Pradesh to the Company in relation to commencement of quarrying operations for extraction of road metal over an extent of 1 acre at survey No. 71, Thiruveedhi Padu, Dagadarthi, Nellore, Andhra Pradesh and the same is valid up to December 13, 2020.

17. Sanction bearing Procs. No. 9315/Q/ 2010, dated May 16, 2011 issued by Department of Mines and Geology, Andhra Pradesh to the Company permitting it to commence quarrying operations for road metal and gravel in the quarry situated at survey No. 788/2(P), Bodduvanipalem, Korisapadu, Prakasam, Andhra Pradesh. The permission has been granted for a period of 15 years i.e. from May 16, 2011 to May 15, 2026.

H. ***Mokama Munger Road Project***

The Company has entered into a joint venture with C&C Construction for construction, operation and maintenance of two laning with paved shoulders of Mokama Munger section of NH-80 from km 1.43 to km 70.00 in the State of Bihar.

1. Confirmation bearing No. NHAI/BOT/11019/26/2004/21051, dated August 17, 2011 issued by NHAI to Mokama-Munger Highway Limited that the appointment date for the project is May 15, 2011.

2. License No. P/EC/BI/14/2018 (P256637) dated January 21, 2011 issued by the Petroleum and Explosives Safety Organization, Kolkata to BSC C&C JV for storage of 20KL petroleum class B in bulk at its premises situated at plot No. 33 (P), khata No. 85, Paraham, Munger. The license is valid till December 31, 2013.

3. Letter bearing No. 5-BHC114/2011-BHU dated October 31, 2011 issued by the MOEF, Bhubaneshwar giving environmental clearance for strengthening and widening of Mokama-Munger section NH-80 (70.00 km) in Lakhisarai and Munger Districts, Bihar. The approval has been granted under section 2 of the Forest (Conservation) Act, 1980.

4. Letter bearing No. NHAI/BOT/11019/19/2004/455 dated May 19, 2010 issued by the NHAI, Dwarka, New Delhi, acknowledging our Company's bid submitted on May 6, 2010 and accepting our Company as the successful bidder. The concession period granted is 15 years including the construction period of 730 days.

I. ***Muzaffarpur - Sonbarsa Road Project***

The Company has entered into a joint venture with C&C Construction for two laning of Muzaffarpur - Sonbarsa section of NH-77 from km 2.8 to km 89.00, in the State of Bihar.

1. Confirmation bearing No. NHAI/BOT/11019/26/2004/21052, dated August 17, 2011issued by NHAI to North Bihar Highway Limited that the appointment date for the project is May 30, 2011.

2. License bearing No. L - 41/2011/ALC II, dated February 24, 2011 issued by office of Regional Labour Commissioner (Central) under section 12 (1) of the CLRA Act in relation to doing work of concessionaire for two laning Muzaffarpur - Sonbarsa section of NH-77 from km 2.80 to km 89.00 in the State of Bihar on a design, build, finance, operate and transfer basis in the establishment of Project Director, NHAI at Pawapuri Vihar, second floor, Bhagawanpur, Muzaffarpur. The license was valid till February 23, 2012. The said license was renewed on January 6, 2012 and is now valid up to February 23, 2013.

3. Letter bearing No. 10-57/2009 - IA III dated June 1, 2011 issued by the MOEF giving environmental clearance for rehabilitation and up gradation of 4 lane divided carriageway from Muzaffarpur to Sonbarsa section of NH-77 in the state of Bihar.

4. License No. P/EC/BI/14/2003 (P256632), dated December 20, 2010 issued by the Petroleum and Explosives Safety Organization, Kolkata to BSC C&C JV for storage of 20KL petroleum class B in bulk at

its premises situated at plot No. 64 (P), khata No. 59, Chakkirampur, Sitamarih, Bihar. The license is valid till December 31, 2015.

5. Letter dated March 30, 2012, bearing No. 46/1(105)/2009/ALC-I issued by the Ministry of Labour, Office of the Regional Labour Commissioner (Patna), and license bearing No. L-105/2009/ALC-1 dated April 8, 2009 under section 12(1) of the CLRA Act issued for designing and constructing of formation, including blanketing major bridges, minor bridges, rub, robs, supply and spreading of ballast and other related infrastructural works for the dedicated freight corridor from chainage 14.10 km to chainage 119.43 km from Sone Nagar to Mughalsarai, was extended for a period of one year till April 7, 2013.

J. ***Patna Bakthiyarpur Road Project***

The Company has entered into a joint venture with C&C Construction for four laning of Patna - Bakthiyarpur section of NH-30 from km 181.30 to km 231.95, in the State of Bihar.

1. Certificate of registration bearing No. BCWR/61/2011/ALC I dated September 2, 2011 issued by the Office of Regional Labour Commissioner (Central), Patna under section 3 (7) of the BOCW Act in relation to doing work of 4/6 laning of Patna-Bakthiyarpur section of NH-30 from km 181.3 to km 231.95 in the State of Bihar under the NHDP-III. The license is valid till September 31, 2014.

2. License bearing No. L 151/2011/ALC I dated September 2, 2011 issued by the Office of Regional Labour Commissioner (Central), Patna under section 12(1) of the CLRA Act in relation to doing work of 4/6 laning of Patna-Bakthiyarpur section of NH-30 from km 181.3 to km 231.95 in the State of Bihar under the National Highway Development Project ("**NHDP**") phase-III. The license was valid till September 1, 2012. The license has been renewed on August 31, 2012 and is now valid up to September 1, 2013.

3. Letter from NHAI dated November 17, 2011, bearing No. NHAI/BR/11019/19/2004/23179 approving September 26, 2011 as the appointed date for the project subject to the condition that the concessionaire would waive off the balance condition precedents to be satisfied by NHAI.

4. Letter dated September 19, 2011 bearing No. 10-54/2010-IA-III issued by the MOEF (IA-III Division) providing environmental clearance for widening of existing two lane to 4/6 lane of Patna-Bakthiyarpur section of NH-30 from km 181.30 to km 231.95.

5. License bearing No. 2826/B2/P7W dated June 30, 2011 issued by the Inspector of Factories, Factory Inspection Department, Department of Labour and Employment, Government of Bihar to BSC C&C JV under rules 4 to 10 of the Bihar Factories Rules, 1950 and section 6(1) (d) of the Factorties Act, 1948 granting permission to employ 250 workmen at its site situate in Naytala Hakikatpur, Bhakthiyarpur, Patna. The license is valid up to December 31, 2015.

6. License bearing No. P/EC/BI/14/2198(P269335) dated December 2, 2011 issued by the Controller of Explosives, Ministry of Commerce and Industry, Kolkatta to BSC C&C JV for storage of 40KL petroleum class B in bulk at its premises situated at plot Nos. 487 and 488, khata No. 106, Bhaktiarpur, Patna. The license has been issued under the Petroleum Act, 1934 ("**Petroleum Act**") and is valid up to December 2, 2013.

K. ***Aurang Road Project***

The Company has incorporated a subsidiary named BSCPL Aurang on September 27, 2011with respect to the four laning of Orissa/Chattisgarh border - Aurang section from km 88.00 to km 239.00 on NH-6 in the State of Chhattisgarh on build operate transfer toll basis.

1. A letter of acceptance bearing No. NHAI/BOT/DBFO/Aui-Sarai/110-12/2010/Bid/21320 dated August 29, 2011 issued by NHAI to the Company in relation to the Aurang-Chattisgarh BOT Project.

2. Registration Certificate bearing No. RP-57(83)/2012 –ALC dated December 24, 2012 issued by the Assistant Labour Commissioner, Ministry of Labour and Employment, Raipur to BSCPL Aurang under section 7(3) of the BOCW Act and BOCW Rules with respect to works for rehabilitation and up gradation

to four lane configuration of Aurang-Saraipali (up to Chhattisgarh-Odisha border) section on NH-6 in the State of Chhattisgarh from km 88/000 to km 239/000, stating that the maximum number of employees to be employed is twenty persons. The registration is valid for the period from December 5, 2012 to December 4, 2015.

3. License bearing No. RP-54(548)/2012 –ALC dated December 24, 2012 issued by the Assistant Labour Commissioner, Ministry of Labour and Employment, Raipur to BSCPL Aurang under section 12(1) of the CLRA Act, with respect to works for rehabilitation and up gradation to four lane configuration of Aurang-Saraipali (up to Chhattisgarh-Odisha border) section on NH-6 in the State of Chhattisgarh from km 88/000 to km 239/000, stating that the maximum number of employees to be employed is twenty persons. The license is valid up to December 23, 2013.

4. Registration Certificate bearing No. RP-57(84)/2012 –ALC dated December 24, 2012 issued by the Assistant Labour Commissioner, Ministry of Labour and Employment, Raipur to our Company under section 7(3) of the BOCW Act and BOCW Rules with respect to works for rehabilitation and up gradation to four lane configuration of Aurang-Saraipali (up to Chhattisgarh-Odisha border) section on NH-6 in the State of Chhattisgarh from km 88.00 to km 239.00, stating that the maximum number of employees to be employed is 300 persons. The registration is valid for the period from December 5, 2012 to December 4, 2015.

5. License bearing No. RP-54(89)/2013-ALC dated February 20, 2013 issued by the Assistant Labour Commissioner, Ministry of Labour and Employment, Raipur to our Company under section 12(1) of the CLRA Act, with respect to works for rehabilitation and up gradation to four lane configuration of Aurang-Saraipali (up to Chhattisgarh-Odisha border) section on NH-6 in the State of Chhattisgarh from km 88.00 to km 239.00, stating that the maximum number of employees to be employed is 300 persons. The license is valid up to February 19, 2014.

6. Entrepreneur’s Memorandum bearing No. 220121101370 dated April 18, 2012 issued by the District Industries Centre, Mahasamund, Chhattisgarh, acknowledging the application for entrepreneurs memorandum filed by our Company according to the amended format under the Micro, Small and Medium Enterprises Development Act, 2006 (“**MSMED Act**”) for setting up a small scale enterprise engaged in the manufacturing crushed stone, concrete mixer, hot mix plant and wet mix macadam in Chhuipali Village, Mahasamund, Chhattisgarh. The acknowledgment is valid for two years from the date of the issue, i.e. up to April 18, 2014.

7. Entrepreneur’s Memorandum bearing No. 220121101368 dated April 16, 2012 issued by the District Industries Centre, Mahasamund, Chhattisgarh, acknowledging the application for entrepreneurs memorandum filed by our Company according to the amended format under the MSMED Act for setting up a small scale enterprise engaged in the manufacturing crushed stone and concrete mixer in Ghodari Village, Mahasamund, Chhattisgarh. The acknowledgment is valid for two years from the date of the issue, i.e. up to April 16, 2014.

8. Entrepreneur’s Memorandum bearing No. 220121101466 dated September 27, 2012 issued by the District Industries Centre, Mahasamund, Chhattisgarh, acknowledging the application for entrepreneur’s memorandum filed by our Company according to the amended format under the MSMED Act for setting up a small scale enterprise engaged in the manufacturing crushed stone, concrete mixer and wet mix macadam in Singhupali Village, Mahasamund, Chhattisgarh.

9. Consent bearing No. 884/RO/TS/CECB/2012 dated June 14, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent under section 21 of the Air Act with respect to the activity of stone crushing, concrete mixer, hot mix at site No. 27/24, Chhuipali Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

10. Consent bearing No. 886/RO/TS/CECB/2012 dated June 14, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent under sections 25 and 26 of the Water Act with respect to the activity of stone crushing, concrete mixer, hot mix and wet mix macadam at

site No. 27/24, Chhuipali Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

11. Consent bearing No. 2794/RO/TS/CECB/2012 dated June 14, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent for discharge of effluents under sections 25 and 26 of the Water Act with respect to the activity of stone crushing, concrete mixer, hot mix at site No. 27/24, Chhuipali Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

12. Consent bearing No. 512/RO/TS/CECB/2012 dated May 26, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent under section 21 of the Air Act with respect to the activity of stone crushing, concrete mixer, hot mix and wet mix macadam at site No. 86, Ghodari Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

13. Consent bearing No. 514/RO/TS/CECB/2012 dated May 26, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent under sections 25 and 26 of the Water Act with respect to the activity of stone crushing, concrete mixer, hot mix and wet mix macadam at site No. 86, Ghodari Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

14. Consent bearing No. 2745/RO/TS/CECB/2012 dated May 26, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent for discharge of effluents under sections 25 and 26 of the Water Act with respect to the activity of stone crushing, concrete mixer, hot mix at site No. 86, Ghodari Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

15. Consent bearing No. 569/RO/TS/CECB/2012 dated May 31, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent under section 21 of the Air Act with respect to the activity of stone mining at site No. 86, Bharbaspur Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

16. Consent bearing No. 570/RO/TS/CECB/2012 dated May 31, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent under sections 25 and 26 of the Water Act with respect to the activity of stone mining, hot mix and wet mix macadam at site No. 86, Bhabaspur Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

17. Consent bearing No. 2746/RO/TS/CECB/2012 dated May 31, 2012 issued by the Regional Officer, Environment Conservation Board, Raipur to our Company granting consent for discharge of effluents under sections 25 and 26 of the Water Act with respect to the activity of stone crushing, concrete mixer, hot mix at site No. 86, Bharbaspur Village, Mahasamund, Chhattisgarh. The license is granted for a period of one year from the day of commissioning of the plant.

18. In- principle approval bearing No. F. No. 8-20/2012-FC dated October 1, 2012 issued by the Senior Assistant Inspector General of Forests, Ministry of Environment and Forests, granting in principle approval for widening and upgradation of NH-6 from Aurang to Saraipali in favour of the project director, NHAI, subject to the conditions detailed therein. The in-principle approval has been granted under section 2 of the Forest Conservation Act, 1980.

19. Grant bearing No. 3980/G.S/2012-2013 dated August 8, 2012 issued by the Executive Engineer, Water Resource Division, Mahasamund, Chhattisgarh granting permission to our Company to use natural resources water up to 100KL per day for the construction of a new four lane NH-53.

L. ***IRCON Project***

The Company has been awarded a contract for the construction of road over bridge both railway span and adjacent approaches span including reinforced earth wall/retaining wall in lieu of LC -35 B at km 552/11-13 between section Phulwarisharif - Danapur, on EC Railway, Bihar.

1. License bearing No. L-4/2013/ALC-I dated January 29, 2013 issued by the Office of the Regional Labour Commissioner Central), Patna, to BSC C&C JV granting them license to carry on the project of construction of road over bridge and employ up to 50 workmen. The license is granted under section 12(1) of the CLRA Act. The license is valid up to January 28, 2014.

M. ***Tax Approvals common to projects in Bihar***

1. A letter dated April 19, 2006, evidencing the allotment of code bearing No. Comp/COV/HR/GGN/27841/103 to BSC C&C JV and applicability of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("**EPF Act**"), and the schemes framed there under to BSC C&C JV with effect from December 1, 2005.

2. Tax Identification Number being 10310938011, with effect from December 1, 2005 issued by the Office of Commercial Tax Officer, Muzaffarpur Circle, Muzaffarpur to BSC C&C JV as a certificate of registration under section 19 of Bihar Value Added Tax Act, 2005.

3. Tax Identification Number being 10310938205, dated March 19, 2012, with effect from December 6, 2005 issued by Office of Deputy Commissioner of Commercial Taxes, Muzaffarpur Circle, Muzaffarpur as a certificate of registration under section 5 of Bihar Tax on Entry of Goods into Local Area of Consumption, Use or Sale therein Act, 1993.

4. Tax Identification Number being 10310938108, dated March 19, 2012, with effect from December 19, 2005 issued by Office of Deputy Commissioner of Commercial Taxes, Muzaffarpur Circle, Muzaffarpur as a certificate of registration under section 19 of CST Act.

N. ***Veligonda Dam Project***

1. Certificate of registration bearing No. COT/SP/613/2008 dated April 8, 2009 issued by the Office of the Engineer-in-Chief (Administration Wing), I&CAD Department, Errum Manzil, Hyderabad to the Company for registering it as a special class contractor in the category of 'civil'. The same is valid for five years.

IV. Business Approvals - Quarrying, crushing operations etc

A. ***Quarrying Approvals - Bihar***

(i) License bearing No. P/EC/BL/14/1544(P171670) dated December 22, 2008 issued by the Petroleum and Explosives Safety Organization, Hazaribagh to BSC C&C JV for storage of 20KL petroleum class B in bulk at its premises situated at plot No. 9353, khata No. 227, Bhadokhara, Nawada. The License was valid till December 31, 2011. The license was renewed vide letter dated December 1, 2011 from the Petroleum and Explosives Safety Organization, Kolkata. The license is valid up to December 31, 2014.

(ii) License bearing No. P/EC/BI/14/1837 (P231979) dated August 3, 2009 issued by the Petroleum and Explosives Safety Organization, Kolkata to BSC C&C JV for storage of 20KL petroleum class B in bulk at its premises situated at plot No. 1991 (P), khata No. 747, Jagariya, Bhagalpur. The license was valid till December 31, 2011. The license was renewed vide letter dated December 1, 2011 issued by the Petroleum and Explosives Safety Organization, Kolkata. The license is now valid up to December 31, 2014.

(iii) Consent order bearing No. PT (NOC) 1117/11-7-15564 dated September 13, 2012 issued by the Bihar State Pollution Control Board to BSC C&C JV under section 21 of the Air Act in relation to operation of the plant, Nawada Crusher (Unit IV) at Bhadokhra Orhanpur, Nawada. The consent is valid for the period from July 1, 2012 up to May 22, 2013.

B. ***Quarrying Approvals - Andhra Pradesh***

(i) Consent order bearing No. 33-O-1065/APPCB/RO/KNL/W&A/2011 -1876, dated March 26, 2012 issued by Andhra Pradesh Pollution Control Board, Krishna Nagar, Kurnool, Andhra Pradesh to the Company under sections 25 and 26 of the Water Act and section 21 of the Air Act for operation of industrial plant to discharge effluents and emission as detailed therein at survey Nos. 107-1 and 2, Kandukuru, Anantapur (District), Andhra Pradesh for manufacture of road metal. The consent order is valid for a period ending September 30, 2015

(ii) Sanction bearing Procs. No. 1130/QL/07, dated February 29, 2008 issued by the Department of Mines and Geology, Anantapur, Andhra Pradesh to the Company in relation to commencement of quarrying operations for road metal and building stones over an extent of 10.3 hectares at survey No. 28, Mannela (V), Anantapur, Andhra Pradesh and the same if valid up to February 28, 2023.

(iii) Sanction bearing Procs. No. 1114/Q2/2005, dated February 13, 2006 issued by the Department of Mines and Geology, Anantapur, Andhra Pradesh to the Company in relation to commencement of quarrying operations for road metal and building stones over an extent of one hectare at survey No. 28(P), Mannela (V), Anantapur, Andhra Pradesh and the same if valid up to June 11, 2021.

(iv) Sanction bearing Procs. No. 2661/Q3/2002, dated June 23, 2003 issued by the Department of Mines and Geology, Anantapur, Andhra Pradesh to the Company in relation to commencement of quarrying operations for road metal and building stones over an extent of one hectare at survey No. 28, Mannela (V), Anantapur, Andhra Pradesh and the same is valid up to March 28, 2013.

(v) Sanction bearing Procs. No. 1037/QL/2008, dated October 22, 2008 issued by the Department of Mines and Geology, Mahabubnagar, Andhra Pradesh to the Company in relation to commencement of quarrying operations for stone and metal and gravel/earth/murram over an extent of eight hectares at survey No. 44/2, Appajipalli, Bodajanampet, Mahabubnagar, Andhra Pradesh and the same is valid up to October 22, 2022.

(vi) Sanction bearing Procs. No. 4329/AQL/MBNR/08, dated September 11, 2008 issued by Department of Mines and Geology, Hyderabad, Andhra Pradesh to the Company in relation to amalgamation of two quarry leases for stone and metal in survey No. 44, Appajipalli, Balanagar, Mahabubnagar, Andhra Pradesh over an extent of 4 hectares respectively into one quarry lease over an extent of eight hectares and inclusion of gravel/murram/earth as additional minerals for extraction in the amalgamated area. The lease is valid up to January 22, 2022.

(vii) Sanction bearing Procs. No. 4639/Q-III/2006, dated January 9, 2007 issued by the Department of Mines and Geology, Hyderabad, Andhra Pradesh to the Company in relation to commencement of quarrying operations for road metal and building stones over an extent of four hectares at survey No. 44, Appajipalli, Balanagar, Mahabubnagar, Andhra Pradesh and the same is valid up to June 11, 2021.

(viii) Sanction bearing Procs. Nos. 5871/QIII/2007 and 3381/QL/2007 dated December 3, 2007 and December 14, 2007 respectively issued by the Department of Mines and Geology, Mahabubnagar, Andhra Pradesh to the Company in relation to commencement of quarrying operations for stone and metal over an extent of four hectares at survey No. 44, Appajipalli, Balanagar, Mahabubnagar, Andhra Pradesh. The same is valid up to December 13, 2022.

(ix) Sanction bearing Procs. No. 1005/QL/2012, dated March 21, 2012 issued by the Department of Mines and Geology, Nalgonda, Andhra Pradesh to the Company in relation to commencement of quarrying operations for rough stone and road metal over an extent of five hectares at survey No. 438, Pillaipally, Pochampally, Nalgonda, Andhra Pradesh. The same is valid up to March 20, 2022.

(x) Sanction bearing Procs. No. 4036/M2/2001, dated March 25, 2003 issued by the Department of Mines and Geology, Nalgonda, Andhra Pradesh to the Company in relation to commencement of quarrying operations for rough stone and road metal over an extent of three hectares at survey No. 438, Pillaipally, Pochampally, Nalgonda, Andhra Pradesh valid till March 24, 2018.

(xi) License bearing No. E/SC/AP/25/405 (E49468), dated August 25, 2009 issued by Petroleum and Explosives Safety Organisation, Hyderabad, Andhra Pradesh to the Company's premises situated at survey No. 44/2, Appajipalli, Balanagar, Mahabubnagar, Andhra Pradesh in relation to transport of explosives.

The license is valid until March 31, 2014.

(xii) License bearing No. E/SC/AP/22/218 (E8413), dated June 8, 2011 issued by Petroleum and Explosives Safety Organisation, Hyderabad, Andhra Pradesh to the Company in relation to possession and use of explosives from magazine situated at survey No. 439, Pillaipally, Nalgonda, Andhra Pradesh. The license is valid up to March 31, 2013.

(xiii) License bearing No. E/SC/AP/22/616 (E13713), dated June 3, 2011 issued by Petroleum and Explosives Safety Organisation, Hyderabad, Andhra Pradesh to the Company in relation to possession and use of explosives from magazine situated at survey Nos. 107/1 and 107/2, Kandukuru, Anantapur, Andhra Pradesh. The license is valid up to March 31, 2013.

(xiv) License bearing No. E/SC/AP/22/936 (E40476), dated January 12, 2011 issued by Petroleum and Explosives Safety Organisation, Hyderabad, Andhra Pradesh to the Company in relation to possession and use of explosives from magazine situated at survey No. 44/2, Appajipalli, Bodajanampet, Mahabubnagar, Andhra Pradesh. The license was valid upto March 31, 2012. The said license was renewed on April 19, 2012 and is now valid upto March 31, 2017.

(xv) License bearing registration No. 25655, dated December 9, 2010 issued by Inspector of Factories, Anantapur, Andhra Pradesh to the Company in relation to grant of using of its premises at Itikalapalli, Anantapur, Andhra Pradesh as a factory. The license is valid until cancelled.

(xvi) License bearing No. 35362, dated March 5, 2008 issued by Inspector of Factories, Mahabubnagar, Andhra Pradesh to the Company in relation to grant of using its premises at Appajipalli, Bodajanampet, Balanagar, Mahabubnagar, Andhra Pradesh as a factory. The license is valid until cancelled.

V. Business Approvals – Real Estate Projects

A. <u>Bollineni Hillside Project</u>

This project involves the development of an integrated township at Old Mahabalipuram Road, Chennai. The project is being constructed in a two phases.

(i) Certificate of registration bearing No. 33523602337, dated January 5, 2007 issued by the Assistant Commissioner of Commercial Taxes, Ariyalur, Tamil Nadu to the Company evidencing allotment of taxpayer identification number 33523602337. It has been certified that the Company having its principal place of business at 369/2, Perali, Perambalur, Tamil Nadu is registered as a dealer under sections 7(1) and 7 (2) of the CST Act. The certificate is valid from December 28, 2004 until cancelled.

(ii) A certificate of registration dated September 24, 2007 has been issued by Commercial Tax Officer, Ariyalur, Tamil Nadu certifying the registration of new branch of the Company at No. 4855, Arasankalani, Perumbakkam Road, Nookampalayam, Chitalapakam, Chennai, Tamil Nadu with effect from September 21, 2007.

(iii) Certificate of registration dated October 10, 2005 issued by Commercial Tax Officer, Ariyalur certifying that the Company having its principal place of business at survey Nos. 116/1A1 and 116/1A2, Eraiyur Road, Perali, Perambalur, Tamil Nadu and additional place of business at survey Nos. 52/7, 52/18-26, 83/1 Santhragi Road, Ariyalur, Perambalur, Tamil Nadu is registered as a dealer under section 20 of the Tamil Nadu General Sales Tax Act, 1959, ("**TNGST Act**"). The certificate is valid until cancelled

(iv) Certificate of registration bearing No. 826518, dated November 5, 2007 issued by Commercial Tax Officer, Ariyalur certifying that the Company having its principal place of business at survey Nos. 116/1A1 and 116/1A2, Eraiyur Road, Perali, Perambalur, Tamil Nadu and additional place of business at survey Nos. 52/7, 52/18-26, 83/1 Santhragi Road, Ariyalur, Perambalur, Tamil Nadu is registered as a dealer under sections 7 (1) and 7 (2) of the CST with effect from December 28, 2004. The certificate is valid until cancelled.

(v) Certificate bearing No. 122/08/ dated August 5, 2008 issued by the Government of Tamil Nadu, Office of

Registering Officer to the Company, Perumbakkam Road, Nookampalayam, Chitalapakam, Chennai under sub-section 2 of section 7 of the CLRA Act. Amendment vide letter bearing No. D1/5767/09, dated July 21, 2009 to the certificate No. 122/08 issued to our Company, situated at Perumbakkam Road, Nookampalayam, Chitalapakam, Chennai with respect to the contract labour registration.

(vi) NOC bearing No. Lr. No. AV Act/2010/JE/CA/92-25R/2011 dated July 23, 2012, issued by the Competent Authority, Department of Archaeology, Chennai, granting permission for the construction in survey Nos. 417/1A, 420/2C6, 420/2C5 AND 420/2C3, Perumbakkam Village, Tambaram Taluk, Kancheepuram District, subject to the approval from the National Monuments Authority.

(vii) NOC issued by the National Monuments Authority, Ministry of Culture, Government of India, bearing No. F. No. 2-8/200/2012-NOC/NMA dated January 17, 2013 granting permission to construct in the regulated area comprised in survey Nos. 416/2B2,3,4B,5,6,6A,6C,6E,7A,7C,7E, Perumbakkam Village, Sholinganallur Taluk, Kancheepuram District, subject to the condition that the total height of the constructed building should not exceed 25 meters. Further, letter dated January 18, 2013 issued by the Administrative Officer, National Monuments Authority, stating that the land comprised in survey Nos. 416/5, 416/4B,5 and 416/3,4, B, 5 are located beyond the regulated area and as such did not require the NOC from the National Monuments Authority.

(viii) Approval granted by the Member Secretary, Madras Metropolitan Development Authority bearing planning permission No. 374 of 1994 and subsequently approved by building permission No. 6174 of 1994 for phase I part 1 of the project involving development of an integrated township to be undertaken in Perumbakkam Village, administered by St. Thomas Mount Panchayat Union, Chennai.

(ix) Approval granted by the Member Secretary, Madras Metropolitan Development Authority bearing planning permission No. 375 of 1995 and subsequently approved by building permission No. 297 of 1995 for phase I part 2 of the project involving development of an integrated township to be undertaken in Perumbakkam Village, administered by St. Thomas Mount Panchayat Union, Chennai.

(x) Tax Payer Registration bearing No. 33523602337 dated January 5, 2007 issued by the Commercial Tax Department, Ariyalur under rule 5(1) (a) Tamil Nadu Value Added Tax Act, 2006 ("**TNVAT Act**") to the Company.

VI. Miscellaneous approvals of the Company

(i) Certificate of registration dated October 23, 2007 bearing service tax code/registration No. AAACB8316KST002 issued by the Office of the Commissioner of Central Excise and Customs Service Tax Cell, Hyderabad, Andhra Pradesh under the Finance Act, 1994 registering the Company with Central Excise Department.

(ii) Registration certificate dated March 18, 1994 bearing registration No. AP/26049/ZV/Enf-I/910/1494 issued by the Office of the Regional Provident Fund Commissioner, Hyderabad, Andhra Pradesh registering the Company under the EPF Act.

(iii) Value added tax registration bearing No. 28170187528 dated November 5, 2008 issued by Commercial Tax Department under section 18(1)(a) and rule 10(a) and rule 12 of Andhra Pradesh Value Added Tax Act, 2005 ("**APVAT Act**").

(iv) TAN bearing No. HYDB00839G issued by the Income Tax Department, India to the Company.

(v) PAN bearing No. AAACB8316K issued by the Income Tax Department, India to the Company.

VII. Pending Applications

(i) License bearing No. I-4569, dated March 19, 2012 issued by the Afghanistan Investment Support Agency to BSC C&C JV, certifying that the company has been registered in accordance with the private investment law of Afghanistan and operated in accordance with laws of Afghanistan. The said license is valid till February 27, 2013. BSC C&C JV has filed an application of renewal dated February 16, 2013 to the

Afghanistan Investment Support Agency.

(ii) License bearing No. 12210, bearing registration No. 119/45203/2010, dated January 19, 2012, issued by the Office of the Directorate Industrial Safety and Health, Gujarat, vide No. 4463, dated 20th July, 2011, granting permission to use the premises (being survey Nos. 20, 21, 22 and 23 situate at Rampura, Dahod District Gujarat) for work a factory. The license was valid up to December 31, 2012. The Company has applied for a renewal of the said license vide letter dated December 18, 2012 to the Industrial Safety and Health Officer, Godhra, Panchmahal, Gujarat.

(iii) License bearing No. 12211, bearing registration No. 120/45203/2010, dated January 19, 2012, issued by the Office of the Directorate Industrial Safety and Health, Gujarat, vide No. 4461, dated 20th July, 2011, granting permission to use the premises (being survey Nos. 240, 241, 242, 254 situate at Saliya Village, Morva, Panchmahal, Gujarat) for work a factory. The license was valid up to December 31, 2012. The Company has applied for renewal of the said license vide letter dated December 18, 2012 to the Industrial Safety and Health Officer, Godhra, Panchmahal, Gujarat.

(iv) License bearing No. 369/2011-B3/BL, dated December 19, 2011, issued by the Office of the Deputy Chief Labour Commissioner (Central), Bangalore, Ministry of Labour and Employment, under section 12(1) of the CLRA Act, for doing the work of construction of roads and bridges (km 110 to km120 of NH-48, Mandhya District) and four laning of Deveihalli-Hassan (from km 110 to km 189.50 including a new 2 lane with paved shoulders at Channarayapatna, Karnataka. The license was valid upto December 18, 2012. The Company has, vide letter dated December 12, 2012 applied for renewal of the license to the Assistant Labour Commissioner (Central), Goraguntepalaya, Yeshwanthpur, Bangalore.

(v) Consent order bearing No. 66/PCB/MIN/SC/CFE/2011-12/879, dated February 10, 2012 issued by Karnataka State Pollution Control Board to the Company under section 25 of the Water Act and section 21 of the Air Act for establishment of a new stone crusher of capacity 1,00,000 TPM at survey No. 109 and 110, Annenahalli, Hobli, Channarayapatna Taluk, Hassan. The consent was valid up to October 21, 2012. The Company has applied for a consent for operation of the Stone Crusher Plant 400 TPH capacity vide letter dated May 9, 2012.

(vi) Acknowledgement bearing No. 1040 dated January 21, 2011, issued by the District Industries Centre, Ongole Prakasm (DT), acknowledging the online filing of entrepreneur's memorandum by the Company, dated January 17, 2011, for setting up a small manufacturing enterprise at Bodduvani Palam, Prakasam District, Andhra Pradesh (survey Nos. 789/3, 790/3, 790/1B), in relation to the activity of finishing of stone. The acknowledgement was valid for a period of two years from the date of issue. The Company has filed an online application dated January 29, 2013 for renewal of the said acknowledgement.

(vii) Acknowledgement bearing No. 1039 dated January 21, 2011, issued by the District Industries Centre, Ongole Prakasm (DT), acknowledging the online filing of entrepreneur's memorandum by the Company, dated January 17, 2011, for setting up a small manufacturing enterprise at Bodduvani Palam, Prakasam District, Andhra Pradesh (survey Nos. 128/14, 1A3, 1C1, 1C3), in relation to the activity of hot mixing plant, wet mixing plant, other mining, quarrying and processing services finishing of stone. The acknowledgement was valid for a period of two years from the date of issue. The Company has filed an online application dated January 29, 2013 for renewal of the said acknowledgment.

(viii) Acknowledgement bearing No. 009954, dated November 15, 2010 issued by the District Industries Centre, Ongole, Andhra Pradesh acknowledging filing of entrepreneur's memorandum by the Company for setting up a small manufacturing enterprise at survey Nos. 452/1, 454/2, 454/3, K. Bitragunta, Jarugumalli, Anamanamur, Korisapadu, Prakasam, Andhra Pradesh in relation to manufacturing of clay, graphite, sand and quartz. The acknowledgement was valid for a period of two years from the date of issue. The Company has filed an online application dated January 29, 2013 for renewal of the said acknowledgment.

(ix) Consent order bearing No. P - 82/PCB/ZO-VJA/CFO/W&A/2012-2659, dated March 24, 2012, issued by Andhra Pradesh Pollution Control Board, Vijayawada, Andhra Pradesh to the Company under section 25 of the Water Act and section 21 of the Air Act for establishment of a unit at survey Nos. 128/14, 1A3, 1C, 1C3, Bodduvanipalem, Korisapadu, Prakasam, Andhra Pradesh for operation of industrial plant to discharge effluents and emissions as detailed therein and for manufacture of hot mix bitumen, wet mix aggregates and batching aggregate. The consent order was valid up to October 31, 2012 The Company has filed online applications dated January 17, 2013 bearing renewal No. 3105 and PCB-ID 20446 to the Andhra Pradesh Pollution Control Board for renewal of the consent order under section 25 of the Water Act and section 21 of the Air Act.

(x) Consent order bearing No. P - 81/PCB/ZO-VJA/CFO/W&A/2012-2660, dated March 24, 2012 issued by Andhra Pradesh Pollution Control Board, Vijayawada, Andhra Pradesh to the Company under section 25 of the Water Act and section 21 of the Air Act for establishment of a unit at survey Nos. 454/2 and 454/3, Bitragunta, Jarugumalli, Prakasam, Andhra Pradesh for manufacture of hot mix bitumen or asphalt, wet mix aggregates and batching aggregate. The consent order was valid up to October 31, 2012. The Company has filed online applications dated January 17, 2013 bearing renewal No. 3106 and PCB-ID 20619 to the Andhra Pradesh Pollution Control Board for renewal of the consent order under section 25 of the Water Act and section 21 of the Air Act.

(xi) Consent order bearing No. P/TY (NOC)-1117/11-T12515 dated August 8, 2011 issued by Bihar State Pollution Control Board to BSC C&C JV under section 21 of the Air Act in relation to operation of the plant, Nawada Crusher (Unit IV) at Bhadokhra, Nawada. The consent was valid till June 30, 2012. Application dated May 31, 2012 bearing No. 44765 has been made by the Company BSC C&C JV to the Bihar State Pollution Control Board, Patna.

(xii) License bearing No. L - 40/2011/ALC II, dated February 22, 2011 issued by office of Regional Labour Commissioner (Central) to BSC C&C JV under section 12 (1) of the CLRA Act in relation to doing work of two laning with paved shoulders of Munger section of NH-80 from km 1.43 to km 70.00 in the State of Bihar on a build, operate, transfer basis under the NHDP phase III in the establishment of Project Director, NHAI Project Implementation Unit at Harpur, Tilrath, Begusarai. The license was valid upto February 21, 2012. The same was renewed vide letter dated February 3, 2012 and was valid upto February 21, 2013. The Company has applied for further renewal of the said license vide letter dated January 7, 2013.

(xiii) License bearing No. L - 22/2011/ALC I, dated February 17, 2011 issued by office of Regional Labour Commissioner (Central) to BSC C&C JV under section 12 (1) of the CLRA Act in relation to doing work of two laning with paved shoulders of Mokama section of NH-80 from km 1.43 to km 70.00 in the State of Bihar on build, operate, transfer basis under the NHDP phase III in the establishment of Project Director, NHAI at Harpur, Tilrath, Begusarai. The license was valid up to February 16, 2012. The said license has been renewed vide letter dated February 3, 2012 and is now valid up to February 16, 2013. The Company has vide letter dated January 7, 2013 applied to the Assistant Labour Commissioner, Patna to extend the validity of the license for a further period of one year from February 17, 2013.

(xiv) Consent order bearing No. P/T3-364/06-T-3705 dated March 30, 2011 issued by Bihar State Pollution Control Board to BSC C&C JV under section 21 of the Air Act in relation to operation of the plant, Nawada Crusher (Unit I) at Bhadokhra Orhanpur, Nawada. The consent was valid till March 31, 2012. Application dated February 29, 2012 bearing No. 40212 has been made by the Company BSC C&C JV to the Bihar State Pollution Control Board, Patna.

(xv) Consent order bearing No. P/T3-364/06-T-3704 dated March 30, 2011 issued by Bihar State Pollution Control Board to BSC C&C JV under section 21 of the Air Act in relation to operation of the plant, Nawada Crusher (Unit III) at Bhadokhra. The consent was valid till March 31, 2012. Application dated February 29, 2012 bearing no. 40214 has been made by the Company BSC C&C JV to the Bihar State Pollution Control Board, Patna.

(xvi) Consent order bearing No. P/T3-364/06-T-3703 dated March 30, 2011 issued by Bihar State Pollution Control Board to BSC C&C JV under section 21 of the Air Act in relation to operation of the plant, Nawada Crusher (Unit II) at Bhadokhra Orhanpur, Nawada. The consent was valid till March 31, 2012. Application dated February 29, 2012 bearing no. 40213 has been made by BSC C&C JV to the Bihar State Pollution Control Board, Patna.

(xvii) Trademark application bearing No. 2207079 dated September 15, 2011 has been made to Registrar of

Trademarks, Office of the Trademark Registry, Chennai by the Company for the 'BSCPL' word mark, and

(xviii) Trademark application bearing No. 2207080 dated September 15, 2011 has been made to Registrar of Trademarks, Office of the Trademark Registry, Chennai by the Company for the logo/label mark.

In addition, the Company is required to obtain certain approvals from the concerned government departments, and other authorities for development of its OMR Project. The Company applies for approvals and sanctions at the appropriate stage of development of each portion of the project, including layout plan approval, and construction plan approval.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Fresh Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on February 21, 2013, subject to the approval of shareholders of the Company through a special resolution to be passed pursuant to Section 81 (1A) of the Companies Act.

The shareholders of the Company have authorised the Fresh Issue by a special resolution passed pursuant to Section 81(1A) of the Companies Act at the EGM of the Company held on February 25, 2013.

LB India Holdings Mauritius II Limited, Tiger Veda Bharat, Tattersalls Limited, L&T Infrastructure Finance Company Limited and New Vernon Private Equity Limited have consented to the Issue by a resolution passed by its board of directors dated February 4, 2013, February 4, 2013, February 19, 2013, September 18, 2012 and February 25, 2013, respectively.

Pursuant to a circular resolution dated February March 5, 2013, our IPO Committee has taken on record the Offer for Sale by the Selling Shareholders and has approved and authorised the Draft Red Herring Prospectus.

Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

Prohibition by SEBI or Other Government Authorities

Our Company, our Promoters, our Directors, our Subsidiaries, our Promoter Group, our Group Companies, persons in control of the Company, have not been debarred from accessing or operating in the capital market under any order or direction passed by SEBI or any other regulatory or government authority.

The companies, with which our Promoters, Directors or persons in control of the Company are or were associated as promoter, directors or persons in control have not been debarred from accessing or operating in the capital market under any order or direction passed by SEBI or any other regulatory or government authority. Further, no action has been initiated against our Promoters, Directors or persons in control of the Company by SEBI or any other regulatory or government authority

Other than N. Sivaraman, who is a director of L & T Infra Investment Partners Advisory Private Limited, which is an asset management company for L&T Infra Investment Partners, none of our Directors are associated with securities market. L&T Infra Investment Partners is registered with SEBI as a Category I Alternative Investment Fund. SEBI has not initiated any action against L & T Infra Investment Partners Advisory Private Limited.

The Selling Shareholders have confirmed that they have held the Equity Shares proposed to be offered and sold in the Offer for Sale for more than one year prior to the date of filing of this Draft Red Herring Prospectus and that the Selling Shareholders have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities, in either case under any order or direction passed by SEBI or any other authority and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights.

Prohibition by RBI

Neither the Company, our Promoters, the relatives of our Promoters (as defined under the Companies Act), our Group Companies, nor the Selling Shareholders have been identified as wilful defaulters by the RBI or any other government authority. There are no violations of securities laws committed by them in the past or that are pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue under Regulation 26(1) of the SEBI Regulations as explained under the eligibility criteria calculated in accordance with financial statements under Indian GAAP:

- 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 (monetary assets is considered to be the sum of cash in hand, bank balance and fixed deposits with banks

- Our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.

- Our Company has a net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each);

- The aggregate 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.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, the Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

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, JM FINANCIAL INSTITUTIONAL SECURITIES PRIVATE LIMITED AND AXIS CAPITAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 FOR THE TIME BEING IN FORCE. 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 AND EACH OF THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR ALL STATEMENTS IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO SUCH SELLING SHAREHOLDER IN CONNECTION WITH THE OFFER FOR SALE, AND THE EQUITY SHARES OFFERED BY SUCH SELLING SHAREHOLDER IN THE OFFER FOR SALE, 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 BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, JM FINANCIAL INSTITUIONAL SECURITIES PRIVATE LIMITED AND AXIS CAPITAL LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 5, 2013 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER(S) 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, WE CONFIRM THAT:

(A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA 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, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 (THE "SEBI 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 THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER 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 (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S 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 (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE 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 ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT

<u>APPLICABLE</u>

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - <u>NOTED FOR COMPLIANCE</u>**

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. <u>NOT APPLICABLE. AS THE ISSUE SIZE IS MORE THAN ₹ 100 MILLION, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.</u>**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI 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 THE BOARD FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI REGULATIONS WHILE MAKING THE ISSUE. - <u>NOTED FOR COMPLIANCE</u>**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI 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 THIS ISSUE)', AS PER**

FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.

17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

The price information of past issues handled by Book Running Lead Manager to the Issue is as follows:

a. Price information of past issued handled by JM Financial

Sr. No.	Issue Name	Issue size (₹ Mn.)	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	SJVN Limited	10,627.4	26.00[(3)]	May 20, 2010	28.00	25.05	(3.7%)	16,519.7	24.60	16,944.6	24.10	16,657.9	24.15	17,876.6
2	Jaypee Infratech Limited	22,576.1	102.00[(4)]	May 21, 2010	93.00	91.30	(10.5%)	16,445.6	83.30	16,944.6	77.20	16,922.1	86.35	17,876.6
3	Career Point Infosystems Limited	1,150.0	310.00[(5)]	October 6, 2010	461.00	632.35	104.0%	20,543.1	487.75	20,168.9	496.85	20,221.4	483.20	21,005.0
4	Orient Green Power Co. Limited	9,000.0	47.00	October 8, 2010	45.70	44.90	(4.5%)	20,250.3	41.15	20,168.9	40.45	19,941.0	38.75	20,852.4
5	BS Transcomm Limited	1,904.5	248.00	October 27, 2010	251.00	378.50	52.6%	20,005.4	245.65	20,852.4	205.15	19,865.1	162.05	19,136.6
6	Claris Lifesciences Limited	3,000.0	228.00[(6)]	December 20, 2010	224.40	205.85	(9.7%)	19,888.9	204.85	20,389.1	199.10	19,224.1	185.35	18,978.3
7	PTC India Financial Services Limited	4,332.8	28.00[(7)]	March 30, 2011	28.00	24.90	(11.1%)	19,290.2	23.05	19,262.5	21.75	19,121.8	21.65	19,136.0
8	Future Ventures India Limited	7,500.0	10.00	May 10, 2011	9.50	8.30	(17.0%)	18,512.8	8.35	18,326.1	8.15	18,232.1	9.28	18,384.9
9	L&T Finance Holdings Limited	12,450.0	52.00[(8)]	August 12, 2011	51.00	49.95	(3.9%)	16,839.6	44.70	16,341.7	50.45	16,821.5	50.90	16,501.7
10	Tree House Education & Accessories Limited	1,120.6	135.00[(9)]	August 26, 2011	132.80	116.55	(13.7%)	15,848.8	119.20	16,713.3	137.40	16,876.5	172.30	16,051.1

Notes:

1. In case of reporting dates falling on a holiday, values for the trading day immediately following the holiday have been considered

2. Benchmark Index is BSE Sensex

3. Issue Price for retail individual bidders was ₹ 24.70

4. Issue Price for retail individual bidders was ₹ 96.90

5. Issue Price for eligible employees was ₹ 295.00

6. Issue Price for anchor investors was ₹ 293.00

7. Issue Price for retail individual bidders was ₹ 27.00

8. Issue Price for eligible employees was ₹ 50.00 and Issue Price for anchor investors was ₹ 56.00

9. Issue Price for retail individual bidders was ₹ 129.00

b. Summary statement of price information of past issues handled by JM Financial

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Mn.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. 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%
2010-2011	8	56,640.7	-	-	6	2	-	-	-	2	5	1	-	-
2011-2012	3	21,070.6	-	-	3	-	-	-	-	-	2	-	1	-
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Price information of past issued handled byAxis Capital

Sr No	Issue Name	Issue Size Rs. (Cr.)	Issue price (Rs)	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 days from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar days from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar days from listing day (Closing)
1	Bharti Infratel Limited(5)	4,172.76	220.00	28-Dec-12	200.00	191.65	-12.89%	5908.35	207.4	5988.4	204.65	6039.2	208.8	6055.75
2	Tara Jewels Limited	220.00	230.00	06-Dec-12	242.00	229.9	-0.04%	5930.90	230.25	5857.9	223.75	5905.6	234.15	5988.4
3	MT Educare Limited	99.00	80.00	12-Apr-12	86.05	90.35	12.94%	5276.85	107.9	5200.6	107.1	5239.15	91.35	4907.8
4	NBCC Limited(1)	124.93	106.00	12-Apr-12	101.00	96.95	-8.54%	5276.85	96.35	5200.6	94.75	5239.15	85.5	4907.8
5	TD POWER SYSTEMS LTD.	227.00	256.00	08-Sep-11	260.00	275.25	7.52%	5153.25	287.30	5031.95	260.75	4945.90	256.05	4979.60
6	FUTURE VENTURES INDIA LTD.	750.00	10.00	10-May-11	9.00	8.20	-18.00%	5541.25	8.30	5486.35	8.10	5473.10	9.30	5521.05
7	PUNJAB & SIND BANK(2)	470.82	120.00	30-Dec-10	144.00	127.15	5.96%	6101.85	118.85	5762.85	119.75	5691.05	105.45	5505.90
8	A2Z MAINTENANCE & ENGINEERING SERVICES LTD. (3)	776.25	400.00	23-Dec-10	500.00	328.55	-17.86%	5980.00	327.15	6157.60	304.25	5863.25	302.35	5743.25
9	CLARIS LIFESCIENCES LTD.#	300.00	228.00	20-Dec-10	224.40	205.85	-9.71%	19888.88	204.85	20389.07	199.10	19224.12	185.35	18978.32
10	COAL INDIA LTD.(4)	15,199.44	245.00	04-Nov-10	291.00	342.55	39.82%	6281.80	317.20	6121.60	310.80	5865.75	320.40	5992.25
11	PRESTIGE ESTATES PROJECTS LTD.	1,200.00	183.00	27-Oct-10	190.00	193.15	5.55%	6012.65	202.50	6273.20	187.85	5988.70	160.15	5751.95

Price information for the above issues, except for Claris Lifesciences Ltd., is that on NSE (source:www.nseindia.com) and Benchmark Index considered is NIFTY # Claris Lifesceinces Ltd. being listed only on BSE, the price information is that on BSE (source: www.bseindia.com) and the Benchmark Index considered is Sensex Note: Wherever 10th, 20th, 30th calendar day from listing day is a holiday, the closing data of the next trading date / day has been considered.

1. Price for retail individual bidders and eligible employees was Rs. 100.70 per equity share.

2. Price for retail individual bidders and eligible employees was Rs. 114 per equity share.

3. Price for eligible employees was Rs. 380 per equity share.

4. Price for retail individual bidders and eligible employees was Rs. 232.75 per equity share.

5. Price for retail individual bidders was Rs. 210 per equity share.

Financial Year	Total no. of IPOs	Total Funds Raised (Rs. Cr.)	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%
FY2013	2	4392.76	0	0	2	0	0	0	0	0	1	0	0	1
FY2012	4	1200.93	0	0	2	0	0	2	0	0	2	0	0	2
FY2011	15	24025.61	0	0	6	0	3	6	0	1	8	0	2	4
FY2010	8	12641.30	0	0	3	0	1	4	0	0	4	0	0	4

Note: Wherever 30th calendar day from listing day is a holiday, the closing data of the next trading date / day has been considered

The filing of the Draft Red Herring Prospectus does not, however, absolve the Company and the Selling Shareholders from any liabilities under Section 63 or Section 68 of the Companies Act or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in the Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 60B of the Companies Act. 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 56, 60 and 60B of the Companies Act.

Track record of past issues handled by 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 SEBI, please refer to the websites of the BRLM's www.jmfl.com and www.enam.com

Caution - Disclaimer from the Company, the Selling Shareholders and the BRLMs

The Company, its Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at the Company's instance and anyone placing reliance on any other source of information, including the Company's website www.bscpl.net or the website of any Subsidiaries, Joint Ventures or any affiliate or associate of our Company or its Subsidiaries, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and the Company.

All information shall be made available by the Company 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.

Neither the Company nor any member of the Syndicate is liable to the Bidders 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 the Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company 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 Equity Shares. The Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, the Company and its 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 the Company and its respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Each Selling Shareholder, having made reasonable enquiries, accepts responsibility for and confirm that, this Draft Red Herring Prospectus contains all statements in relation to such Selling Shareholder and the Equity Shares offered by it in the Offer for Sale, which are material in the context of the Offer for Sale and that all such statements are true and correct and in all material aspects, and are not misleading in any material respect, that the opinions and intentions expressed in relation to the above statements are honestly held and that there are no other facts, the omission of which makes such statements as a whole or any of such statements or the expression of any such opinions or intentions misleading in any material respect.

Disclaimer in respect of jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, mutual funds, 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 registered with IRDA and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army and navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India) and to FIIs and their sub-accounts, Eligible QFIs, Eligible NRIs and other eligible foreign investors (viz. FVCIs) if any, provided that they are eligible under all applicable laws and regulation to purchase Equity Shares, financial institutions as specified in Section 4A of the Companies Act and provident funds (subject to applicable laws). The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform themselves 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 has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by BSE to the Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to the Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC. Further, a copy of the Prospectus required to be filed under section 60 of the Companies Act will be delivered for registration with the RoC.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, the Company and the Selling Shareholders will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within eight days after the Company and the Selling Shareholders become liable to repay it i.e. from the date of refusal of permission from the Stock Exchange, then the Company, the Selling Shareholders and every Director of the Company who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15.00% p.a. on application money, as prescribed under Section 73 of the Companies Act.

The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 12 Working Days of the Bid/ Issue Closing Date. Further, each Selling Shareholder confirms that it shall provide all reasonable support and co-operation for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 12 Working Days of the Bid/Issue Closing Date.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

(a) **Makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**

(b) **Otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name shall be punishable with imprisonment for a term which may extend to five years."**

Consents

Consents in writing of: the Selling Shareholders, the Directors, the Company Secretary and Compliance Officer, the

Auditors, the legal advisors, the Bankers to the Company, the BRLMs, the Registrar to the Issue to act in their respective capacities, have been obtained. The consents of the Banker to the Issue, Escrow Collection Banks, Syndicate Members, and Refund Banks would be filed along with a copy of the Red Herring Prospectus with the RoC as required under Section 60 and 60B of the Companies Act.

In accordance with the Companies Act and SEBI Regulations, the Joint Statutory Auditors of the Company namely, S R B C & CO, Chartered Accountants and Anjaneyulu & Co., Chartered Accountants, have given their written consent to the inclusion of their examination report dated February 21, 2013 and statement of the tax benefits dated February 21, 2013 in this Draft Red Herring Prospectus and such consent has not be withdrawn as on the date of this Draft Red Herring Prospectus.

[●], the agency engaged by us for the purpose of obtaining IPO grading in respect of this Issue, will give its written consent to the inclusion of their report in the form and context in which it will appear in the Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the Designated Stock Exchange and RoC for registration.

Kharche & Associates has given his written consent to be named as an expert to our Company for the Issue in relation to various properties which have been developed, are being developed and/or are planned to be developed by us in Chennai, and such consent has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus.

Nambiar Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to the Bollineni Hillside Project, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Hamdan AlHarmi & Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to to a piece of land in Jumeriah Village, Dubai, United Arab Emirates, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Hamdan AlHarmi & Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to to a piece of land in Al Hebiah Fourth, Dubai, United Arab Emirates, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Expert Opinion

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

The report provided by the [●] IPO grading agency (a copy of which report will be annexed to the Red Herring Prospectus), furnishing the rationale for its grading of this Issue, pursuant to the SEBI Regulations.

The Company has received consent from the Joint Statutory Auditors of the Company namely, S R B C & CO, Chartered Accountants and Anjaneyulu & Co., Chartered Accountants, to include their name as an expert under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the report of the Joint Auditor's dated February 21, 2013 and statement of tax benefits dated February 21, 2013 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

Our Company has obtained an architect's certificate dated February 22, 2013 from Kharche & Associates in relation to various properties which have been developed, are being developed and/or are planned to be developed by us in Chennai. Kharche & Associates has given his written consent to be named as an expert to our Company for the Issue in relation to various properties which have been developed, are being developed and/or are planned to be developed by us in Chennai, and such consent has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus.

Our Company has obtained a title certificate dated February 22, 2013 from Nambiar Associates in relation to immovable properties pertaining to the Bollineni Hillside Project. Nambiar Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to the Bollineni Hillside Project, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has obtained a title certificate dated February 25, 2013 from Hamdan AlHarmi & Associates in relation to immovable properties pertaining to a piece of land in Jumeriah Village, Dubai, United Arab Emirates. Hamdan AlHarmi & Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to to a piece of land in Jumeriah Village, Dubai, United Arab Emirates, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has obtained a title certificate dated February 25, 2013 from Hamdan AlHarmi & Associates in relation to immovable properties pertaining to a piece of land in Al Hebiah Fourth, Dubai, United Arab Emirates. Hamdan AlHarmi & Associates have given their written consent to be named as an expert to our Company for the Issue in relation to immovable properties pertaining to to a piece of land in Al Hebiah Fourth, Dubai, United Arab Emirates, and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Issue Related Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, fees to the Bankers to the Issue, the SCSBs commission/fees, statutory advertisement expenses and listing fees.

The estimated Issue related expenditure is as follows:

(in ₹million)

Activity	Issue Expense*+	As a % of total Issue Expenses	As a % of Issue
Lead management, underwriting and selling commissions			
Fees payable to Non Syndicate Registered Brokers			
SCSB Commission / processing fee to SCSBs for processing Bid cum Application Forms procured by members of the Syndicate and Non Syndicate Registered Brokers			
Fees to the Escrow Collection Banks/ Bankers to the Issue and Refund Banks.			
Advertising and marketing expenses			
Printing and stationery			
Registrar's fees			
Other expenses (legal fees, Auditors fees, grading expenses, listing fees etc.)			
Total Issue Expenses			

**Inclusive of applicable taxes*

+To be completed after finalisation of the Issue Price

Sharing of Expenses

Except for the listing fees and non-statutory advertisements and marketing expenses which will be borne solely by the Company, expenses relating to the Issue will be borne by the Company and the Selling Shareholders in proportion of the Equity Shares contributed to 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 Letters, a copy of which is available for inspection at the Registered and Corporate Office.

Fees Payable to the Registrar to the Issue

The fees payable by the Company and the Selling Shareholders to the Registrar to the Issue be as stated in agreement dated February 28, 2013 signed among the Company, the Registrar to the Issue and the Selling Shareholders, a copy of which is available for inspection at the Registered and Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of this Draft Red Herring Prospectus until the Bid/ Closing Date.

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 in any of the modes described in the Red Herring Prospectus or Allotment Avice by registered post/speed post/ordinary post.

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is an initial public offering of the Company, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since incorporation of the Company.

Particulars regarding Public or Rights Issues by the Company during the last Five Years

The Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in the section '***Capital Structure***' on page 89, the Company has not issued any Equity Shares for consideration otherwise than for cash.

Previous capital issue during the previous three years by listed Group Companies and associates of the Company

None of the listed Group Companies and associates of the Company have undertaken any a capital issue in the last three years preceeding the date of this Draft Red Herring Prospectus

Performance vis-à-vis objects – Public/Rights Issue of the Company and/or the listed Group Companies and associates of the Company

The Company has not undertaken any previous public or rights issue. None of our listed Group Companies or associates of the Company have undertaken any public or rights issue in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

The Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares

The Company does not have any outstanding preference shares as of the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public issue of the 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, the Company and the Selling Shareholders provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of listing and commencement of trading in the Equity Shares 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 SCSB, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

All grievances relating to Bids submitted through the Non Syndicate Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar

Disposal of Investor Grievances by the Company

The Company estimates that the average time required by the Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, the Company will seek to redress these complaints as expeditiously as possible.

The Company has constituted a Shareholders' and Investors' Grievances Committee comprising Ashoke Joshi, B. Kameswara Rao and P.Murali Krishna as members.

The Company has also appointed B.S. Bhaskar, Company Secretary of the Company, as the Compliance Officer for this Issue and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Compliance Officer and Company Secretary

M. No. 8-2-502/1/A
JIVI Towers, Road No. 7
Banjara Hills, Hyderabad 500 034
Andhra Pradesh, India

E-mail: compliances@bscpl.net

Tel: (91 40) 2330 7704/ 2330 3663
Fax: (91 40) 2330 7385/2337 2054

Disposal of investor grievances by listed companies under the same management within the meaning of Section 370(1B) of the Companies Act

We do not have any listed companies under the same management within the meaning of Section 370(1B) of the Companies Act and therefore there are no investor complaints pending against our companies.

Changes in Auditors

The changes in the auditors of our Company in the last three years are detailed below:

S. No.	Name of Auditor	Date of Appointment	Date of Cessation	Reason for Change
1.	Walker, Chandiok & Co., Chartered Accountants	July 30, 2009*	March 27, 2012*	Resigned
2.	S R B C & CO, Chartered Accountants	April 7, 2012	Continuing	-

*Anjaneyulu & Co, Chartered Accountants is a continuing joint auditor.

Capitalisation of Reserves or Profits

The Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

The Company has not re-valued its assets in the last five years.

SECTION VII - ISSUE 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 SEBI Regulations, clarification from the RBI, the SCRA, the SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, the CAN, the Listing Agreement 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 and/or any other authorities while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued or transferred in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares including rights in respect of dividend. The Allottees upon Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, see section titled "***Main Provisions of Articles of Association***" on page 424.

Mode of Payment of Dividend

The Company shall pay dividends, if declared, to its shareholders in accordance with the provisions of the Companies Act and the Memorandum and Articles of Association and provisions of the Listing Agreement to be entered into with the Stock Exchanges. In respect of the Offer for Sale, all dividends, if any, declared by the Company after the date of Allotment, will be payable to the Bidders who have been issued and allotted Equity Shares in such Offer for Sale In relation to the Offer for Sale, the dividend for the entire year shall be payable to the tranferees. See section titled "***Dividend Policy***" on page 238.

Offer for Sale

The Issue includes an Offer for Sale by the Selling Shareholders. For further details in relation to the Issue expenses including in relation to the Offer for Sale, see section titled "***Other Regulatory and Statutory Disclosures –Issue Related Expenses***" on page 365.

Issue Programme

For details of the Issue programme, see section titled "***Issue Structure***" on page 372.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band for the Issue will be decided by the Company and the Selling Shareholders in consultation with the BRLMs and advertised in all editions of English national daily [●], all editions of Hindi national daily [●], and [●] of Telugu language newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchange for the purpose of upload on its website. The minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in all editions of English national daily [●], all editions of Hindi national daily [●], and [●] of Telugu language newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchange for the purpose of upload on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with SEBI Regulations

The Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the shareholders

Subject to applicable laws and our Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and 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 any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Agreement and the Memorandum and Articles of Association.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, see section titlted "***Main Provisions of Articles of Association***" on page 424.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. 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 one (1) Equity Share subject to a minimum Allotment of [•] Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Hyderabad.

Joint Holders

Subject to provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of the Company or to the Registrar and Transfer Agent of the Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 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 will be made only in dematerialised form, there is no need to make a separate nomination with the Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If the Company does not receive 90% subscription of the Fresh Issue, including devolvement obligation paid by the Underwriters within 60 days of the Bid/Issue Closing Date, the Company shall forthwith refund the entire subscription amount received within 70 days of the Bid/Issue Closing Date. If there is a delay beyond eight days after the Company becomes liable to pay the amount, the Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to pay interest prescribed under Section 73 of the Companies Act

The above requirement of 90% minimum subscription is not applicable to the Offer for Sale.

Further in terms of Regulation 26(4), our Company shall ensure that the number of Bidders to whom Equity Shares will be Allotted in the Issue shall not be less than 1,000.

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.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer or transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares, Promoters' contribution and Allotment to Anchor Investors lock-in pursuant to the Issue as detailed in the section titled '***Capital Structure***' on page 89, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation/ splitting except as provided in the Articles of Association. For details, see section titled "***Main Provisions of the Articles of Association***" on page 424.

ISSUE STRUCTURE

Issue of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating up to ₹ 6,500 million. The Issue consists of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,500 million and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 3,000 million. The Issue will constitute [●] % of the post-Issue paid-up equity share capital of the Company.

The Issue is being made through the Book Building Process.

	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares(2)	[●] Equity Shares	Not less than [●] Equity Shares or Issue less allocation to QIB Bidders and Retail Individual Bidders, available for allocation.	Not less than [●] Equity Shares or Issue less allocation to QIB Bidders and Non-Institutional Bidders, available for allocation.
Percentage of Issue Size available for Allotment/allocation	Not more than 50% of the Issue size being available for allocation. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only.	Not less than 15% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 35% of the Issue or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (a) [●] Equity Shares for allocation to Anchor Investor; (b) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and (c) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (b) above.	Proportionate	In the event, the Bids received from Retail Individual Bidders exceeds [●] Equity Shares, then the maximum number of Retail Individual Bidders who can be allocated/Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for allocation/Allotment to Retail Individual Bidders by the minimum Bid Lot ("**Maximum RII Allottees**"). The allocation/Allotment to Retail Individual Bidders will then be made in the following manner: • In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is equal to or less than Maximum RII

	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
			Allottees, (i) Retail Individual Bidders shall be allocated / Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion shall be allocated/ Allotted on a proportionate basis to the Retail Individual Bidders who have received allocation/Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot). • In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the Retail Individual Bidders (in that category) who will then be allocated/ Allotted minimum Bid Lot shall be determined on draw of lots basis. For details see section titled, "***Issue Procedure – Illustration Explaining Procedure of Allotment to Retail Individual Bidders***" on page 415.
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	Such number of Equity Shares not exceeding the Issue, subject to applicable limits.	Such number of Equity Shares, whereby the Bid Amount does not exceed ₹ 200,000.

	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
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 of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples 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 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FIIs and sub-account registered with SEBI (other than a sub-account which is a foreign corporate or foreign individual), AIF's, VCFs, FVCIs, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by 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 Department of Posts, India.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals and Eligible QFIs	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[4]).[5]	Full Bid Amount shall be payable at the time of submission of Bid cum Application Form.[5]	Full Bid Amount shall be payable at the time of submission of Bid cum Application Form.[5]

#Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

(1) *The Company may in consultation with the BRLMs, allocate up to 30% of the QIB Portion 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 other Anchor Investors. For details, see section titled "**Issue Procedure**" on page 377.*

(2) *Subject to valid Bids being received at or above the Issue Price, this Issue is being made in accordance with Rule 19(2)(b)(i) of the SCRR, as amended and under the SEBI Regulations, where the Issue will be made through the Book Building Process wherein not more than 50% of the Issue will be Allotted on a proportionate basis to QIBs, provided that the Company may in consultation with the BRLMs allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. Out of the QIB Portion (excluding the Anchor Investor Portion), 5% 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 QIBs (other than Anchor Investors) and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount will be payable as per pay-in date mentioned in the revised Anchor Investor Confirmation of Allocation Notice.*

(5) *In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the-Bid cum Application Form.*

Under-subscription, if any, in any category (except QIB category), would be met with spill-over from other categories at the discretion of the Company in consultation with the BRLMs and the Designated Stock Exchange.

Withdrawal of the Issue

The 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 without assigning any reasons therefor. However, if our Company and the Selling Shareholders withdraw the Issue, after the Bid/Issue Closing Date, the Company shall issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days, 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. The Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

If the 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 the Company's Equity Shares, the 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 the Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus.

Bid/ Issue Programme

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

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

***The Company 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 Regulations.*

Except in relation to the bids received from Anchor Investors, Bids and any revision in 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, the Non Syndicate Registered Broker Centers and Designated Branches of SCSBs, except that on the On the Bid/ Issue Closing Date:

(i) 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 4.00 p.m. (IST) in case of Bids by QIB Bidders and Non-Institutional Bidders. The Company may consider closing the Bid/Issue Period for QIB Bidders one day prior to the Bid/Issue Closing Date;

(ii) 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 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 upto the closure of timings and reported by the BRLMs to the Stock Exchanges. It is clarified that the Bids not uploaded in 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. All times mentioned in this section are IST. 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 public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday). Neither the Company, the Selling Shareholders, nor any member of the Syndicate or the Non Syndicate Registered Brokers are liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Company and the Selling Shareholders, in consultation with the 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% of the Floor Price and the Floor Price shall not be less than the Face Value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 (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 Stock Exchanges, by issuing a press release and also by indicating the changes on the websites of the BRLMs and at the terminals of the Syndicate Members.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that QIBs (other than Anchor Investors) and Non Institutional Bidders can participate in the Issue only through the ASBA process. Retail Individual Bidders 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 may be different from the procedure applicable to Bidders other than the ASBA Bidders. *However, there is a common Bid-cum-Application Form for ASBA Bidders 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 the 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 SCSB at the time of bidding,

ASBA Bidders may submit ASBA Bids to a Designated Branch or to the Syndicate or Non Syndicate Registered Broker. 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. ASBA Bidders are advised not to submit Bid-cum-Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.

The Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, SEBI pursuant to a circular CIR/CFD/14/2012 dated October 4, 2012 has introduced the mechanism for submission of Bid-cum-Application Forms through the nationwide broker network of the Stock Exchanges, which is applicable in all public issues where offer documents are filed with the relevant Registrar of Companies on or after January 1, 2013.

Book Building Procedure

This being an Issue for Equity Shares for at least 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of SCRR. The Issue is being made pursuant to Regulation 26(1) of the SEBI Regulations through the Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that the Company may in consultation with the BRLMs may allocate up to 30% of the QIB Portion may be available for allocation to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion 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% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential investors, other than Anchor Investors, may participate in the Issue through an ASBA process providing details about the bank account which will be blocked by the SCSBs for the same.

Any under-subscription in any category (except QIB category), in the Issue will be allowed to be met with spill-over from any other category or combination of categories in the Issue, at the discretion of the Company 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.

Only QIBs can participate in the Anchor Investor Portion and such Anchor Investors cannot submit their Bids through the ASBA.

Bidders can Bid at any price within the Price Band. The Price Band for the Issue will be decided by the Company and the Selling Shareholders in consultation with the BRLMs, and advertised in an [●] edition of English and a [●] edition of Hindi national daily newspapers, and [●] edition of Telugu daily newspaper, each with wide circulation at least five Working Days prior to the Bid Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. The minimum Bid Lot for the Issue will be decided by the Company in consultation with the BRLMs, and advertised in an [●] edition of English and a [●] edition of Hindi national daily newspapers, and [●] edition of Telugu daily newspaper, each with wide circulation at least five Working Days prior to the Bid Opening Date.

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, PAN and BAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Please note that there is a common Bid-cum-Application Form for ASBA Bidders as well as for non-ASBA Bidders. 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, Eligible QFIs, FIIs or Foreign Venture Capital Investors, applying on a repatriation basis#	Blue
Anchor Investors**	White

**Bid cum Application Forms and the abridged prospectus will also be available on the website of the NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to Bid/Issue Opening Date. Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to o the SCSBs, to the Non Syndicate Registered Brokers, or to the Syndicate.*

***Bid cum Application forms for Anchor Investors shall be made available at the offices of the BRLMs.*

Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

All non-ASBA Bidders are required to submit their Bids through the members of the Syndicate or the Non Syndicate Registered Brokers. ASBA Bidders are required to submit their Bids through the SCSBs, authorising blocking of funds that are available in the bank account specified in the Bid cum Application Form. ASBA Bidders bidding through a member of the Syndicate or the Non Syndicate Registered Broker should ensure that the Bid cum Application Form is submitted to a member of the Syndicate or the Non Syndicate Registered Broker only in the bidding center or the Non Syndicate Broker Centre. ASBA Bidders should also ensure that Bid cum Application Forms submitted to the member of the Syndicate or the Non Syndicate Registered Broker at the bidding center or the Non Syndicate Broker Centre will not be accepted if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate or the Non Syndicate Registered Broker to deposit Bid cum Application Forms. 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.Only QIBs can participate in the Anchor Investor Portion and such QIBs participating in the Anchor Investor Portion cannot submit their Bids in the Anchor Investor Portion through the ASBA process. Bids by QIBs including Anchor Investors will have to be submitted to the BRLMs or their affiliates.

Non ASBA Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate or the Non Syndicate Registered Brokers for the purpose of making a Bid in terms of the Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. The Bid cum Application Forms shall be serially numbered and date and time stamped at the bidding centres.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the member of the Syndicate or the Non Syndicate Registered Brokers will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder and the Bidder should preserve this and should provide the same for any queries relating to non allotment of Equity Shares in the Issue.

Upon completion and submission of the Bid cum Application Form to the Syndicate or the SCSB, or the Non Syndicate Registered Broker the Bidder is deemed to have authorised the Company and the Selling Shareholders to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. If the Bid cum Application Form was submitted in joint names, Bidders are required to ensure that the beneficiary account was held in the same joint names in the same sequence in which they appeared in the Bid cum Application Form.

Who can Bid?

Persons eligible to invest in the Equity Shares under all applicable Laws, regulations and guidelines, including:

- Indian nationals resident in India who are incompetent to contract under the Indian Contract Act, 1872, as amended in a single or as a joint Bid and minors having valid demat depository accounts as per Demographic Details provided by Depositories. Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First Bidder: XYZ Hindu Undivided Family *appl*ying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;

- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to i*nvest* in Equity Shares under their respective constitutional or charter documents;

- Mutual Funds registered with SEBI;

- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this Issue;

- Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);

- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB category;

- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category.

- Venture Capital Funds and Alternative Investment Funds registered with SEBI;

- Foreign Venture Capital Investors registered with SEBI;

- Eligible QFIs;

- State Industrial Development Corporations;

- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in Equity Shares;

- Scientific and/or industrial research organisations authorised in India to invest in Equity Shares;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in Equity Shares;
- Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in Equity Shares;
- National Investment Fund;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Insurance funds set up and managed by the army, navy or air force of the Union of India;
- Insurance funds set up and managed by Department of Posts, India; and
- Any other person eligible to Bid in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in this Issue. Further, Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

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 this 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.

The BRLMs and any persons related to the BRLMs or our Promoters and our Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

5% of the QIB Portion (excluding the Anchor Investor Portion) is available to be allocated to Mutual Funds. 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. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Funds portion is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion. With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or Custodians of Mutual Funds shall specifically state names of the concerned schemes for which such bids are made.

One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds on a discretionary basis, 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.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs applying on a repatriation basis at the Registered and Corporate Office of the Company and with the members of the Syndicate and the Registrar to the Issue;

2. 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 NRE Account 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, 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.

3. Bids by Eligible NRIs for a payment amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a payment amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of total post-Issue paid-up share capital. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid-up share capital or 5% of the total paid-up share capital in case such sub-account is a foreign corporate or a foreign individual. Under the extant law, the total holdings of all FIIs and sub-accounts cannot exceed 24% of the post-Issue paid-up equity share capital of the Company. The said 24% limit can be increased up to the applicable sectoral cap by passing a resolution by the Board followed by passing a special resolution to that effect by the shareholders of the Company and with prior approval of the RBI. The Company has not obtained board or shareholders approval to increase the FII limit to more than 24%. Thus as of now, the aggregate FII holding in our Company cannot exceed 24% of the total issued and paid-up equity share capital of our Company.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended (the "**SEBI FII Regulations**"), an FII, as defined in the SEBI FII Regulations, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by a FII 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 FII 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 as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the BRLMs and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation or claim or claim on or an interest in the Company. A certified copy of the SEBI registration certificate must be lodged along with the Bid cum Application Form.
Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

Bids by Anchor Investors

Anchor Investors are allowed to participate in the QIB Portion for up to 30% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (zd) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of Under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

(i) Anchor Investor Bid-cum-Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 30% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date and be completed on the same day.

(v) Company in consultation with BRLMs will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

- a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100.00 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor, and
- minimum of five and maximum of 25 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date.

(vii) The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

(viii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(ix) If the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price will be payable by the Anchor Investors within two Working Days from the Bid/Issue Closing Date. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price, *i.e.*, the Anchor Investor

Issue Price.

(x) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(xi) The BRLMs, our Promoters, Promoter Group, Group Entities or any person related to them will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection by SEBI.

(xii) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, see section titled " ***Issue Procedure - Payment into Escrow Account for Bidder other than ASBA Bidders***" on page 405. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

Bids by Eligible QFIs

The RBI in its circular dated January 13, 2012 has permitted Eligible QFIs to purchase equity shares of Indian companies on a repatriation basis subject to certain terms and conditions. Eligible QFIs have been permitted to invest through SEBI registered qualified depositary participants ("**DP**") in equity shares of Indian companies which are offered to the public in India in accordance with SEBI regulations. The individual and aggregate investment limits for Eligible QFIs in an Indian company are 5% and 10% of the paid up capital respectively. These limits are in addition to the investment limits prescribed under the portfolio investment scheme for FIIs and NRIs. However, in cases of those sectors which have composite foreign investment caps, Eligible QFI investment limits are required to be considered within such composite foreign investment cap.

SEBI in its circular dated January 13, 2012 has specified among other things eligible transactions for Eligible QFIs (which includes purchase of equity shares in public issues to be listed on recognised stock exchanges and sale of equity shares held by Eligible QFIs in their demat account through SEBI registered brokers), manner of operation of demat accounts by Eligible QFIs, transaction processes and investment restrictions. SEBI has specified that transactions by Eligible QFIs shall be treated at par with those made by Indian non-institutional investors with respect to margins, voting rights, public issues etc.

Eligible QFIs are required to open a single non-interest bearing Rupee account with an AD category-I bank in India for routing the payment for transactions relating to purchase of Equity Shares (including investment in equity shares in public issues) subject to the conditions as may be prescribed by the RBI from time to time.

Eligible QFIs are required to instruct their DPs to make the application on their behalf for the Issue. DPs are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour). DPs are required to utilise the ASBA process to participate in the Issue.

Eligible QFIs are not permitted to issue off-shore derivative instruments or participatory notes.

Eligible NRIs, Eligible QFIs and FIIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for

Eligible NRIs, Eligible QFIs and FIIs.

Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

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, the Company reserves 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 reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

(a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

(c) the industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Bids by provident funds/ pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital Funds) Regulations, 1996, as amended and SEBI (Foreign Venture Capital Investors) Regulations, 2000, as amended *inter alia* prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 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% 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 of a venture capital undertaking whose shares are proposed to be listed.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Bids by Eligible NRIs and FIIs on a repatriation basis will be in the names of individuals, or in the names of such

FIIs, respectively, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Please note that other than FIIs (investing under Schedule 2 of the FEMA Regulations), Eligible NRIs and Eligible QFIs, Non-Residents are not permitted to participate in this Issue. Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

The above information is given for the benefit of the Bidders. The Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and 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 Draft Red Herring Prospectus.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 200,000. Where the Bid Amount is over ₹ 200,000, Bidders must ensure that they apply only through the ASBA process and such Bidders applying through the ASBA process will be considered for allocation under the Non-Institutional Portion. Furthermore, in case of non-ASBA Bids, if the Bid Amount is over ₹ 200,000, the Bid is liable to be rejected. The Cut-off Price option is an option given only to the Retail Individual Bidders 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. Retail Individual Bidders can revise their Bid during the Bid/Issue period and withdraw their Bids until finalisation of Basis of Allotment.

(b) **For Other Bidders (Non-Institutional Bidders and QIBs, excluding Bids in Anchor Investors Portion):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of [•] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB Bidder and Non-Institutional Bidders cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or Bid Amount) at any stage. QIBs (other than Anchor Investors) and Non Institutional Bidders are mandatorily required to submit their Bids through ASBA process and pay the entire Bid Amount upon submission of the Bid. The identity of QIBs Bidding in the Issue under the QIB Portion shall not be made public during the Issue Period.**

(c) **In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure tha**t the Bid Amount is greater than ₹ 200,000 for being considered for allocation in the Non-Instiutional Portion. In case the Bid Amount reduces to ₹ 200,000 or less due to revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for **allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.**

(d) **For Bidders in the Anchor Investor Portion: The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is at least ₹ 100 million and in multiples of [•] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion** shall not be considered as multiple Bids. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 30% 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 Bid Amount) at any stage and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised Anchor Investor Confirmation of Allocation Notice. If the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by Anchor Investors shall not be**

refunded to them.

Information for the Bidders:

(a) The Company and the BRLMs shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national daily newspapers (one each in English and Hindi) and in one Telugu newspaper, each with wide circulation. This advertisement shall be in the prescribed format.

(b) The Company will file the Red Herring Prospectus with the RoC at least three Working days before the Bid/Issue Opening Date.

(c) The Bid/Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Bid/Issue Period shall be extended, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and Bid/Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in an English and a Hindi national daily newspaper and one Telugu daily newspaper, each with wide circulation and also by indicating the change on the websites and at the terminals of the members of the Syndicate.

(d) Copies of the Bid cum Application Form and copies of the Red Herring Prospectus will be available with the members of the Syndicate. Copies of the Bid cum Application Form and copies of the Red Herring Prospectus for Anchor Investors can be obtained from the BRLMs. For ASBA Bidders, physical Bid cum Application Forms will be available with the Designated Branches of the SCSBs, the Syndicate Member Non Syndicate Registered Broker at the bidding center or the Non Syndicate Broker Centre and at the Registered and Corporate Office of our Company. For ASBA Bidders, electronic Bid cum Application Forms will also be available on the websites of NSE and BSE, SCSB and terminal of Non Syndicate Registered Broker.

(e) Any eligible Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid cum Application Form can obtain the same from the Registered and Corporate Office of the Company, from the BRLMs and the Syndicate Members.

(f) Eligible Bidders who are interested in subscribing for the Equity Shares should approach any of the BRLMs or the Syndicate Members or their authorised agent(s) or the Non Syndicate Registered Brokers to register their Bids. Bidders (other than Anchor Investors) who wish to use the ASBA process should approach the Designated Branches of the SCSBs or the Syndicate or the Non Syndicate Registered Brokers to register their Bids.

(g) QIBs (other than Anchor Investors) and Non-Institutional Bidders can participate in the Issue only through the ASBA process. Retail Individual Bidders have the option to Bid through the ASBA process or the non-ASBA process. Bids by ASBA Bidders shall be accepted by the Designated Branches of the SCSBs in accordance with the SEBI Regulations and any circulars issued by SEBI in this regard. Bidders applying through the ASBA process also have an option to (i) submit the Bid cum Application Form in electronic form or physical form; or (ii) submit Bids through the Syndicate; or (iii) or with the Non Syndicate Registered Centres

(h) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms (other than in respect of ASBA Bids) should bear the stamp of the members of the Syndicate, or Non Syndicate Registered Brokers; or otherwise they are liable to be rejected. Bid cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch if not, the same are liable to be rejected. Bid cum Application Forms submitted by Bidders whose beneficiary account is inactive shall be rejected.

(i) The Bid cum Application Form can be submitted (i) in physical mode, to a member of the Syndicate or the Non Syndicate Registered Brokers at or the Non Syndicate Broker Centers; or (ii) either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. Bid cum Application Form in electronic mode can be submitted only to the SCSBs with whom the ASBA Account is maintained and not to the members of the Syndicate or Non Syndicate Registered Broker. SCSBs may provide the electronic mode of bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the ASBA Account.

(j) 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 at the bidding centers. ASBA Bidders should also ensure that Bid cum Application Forms submitted to the members of the Syndicate at the bidding center will not be accepted if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Form from ASBA Bidders (A list of such branches is available at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html). 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.

(k) For ASBA Bids submitted to the members of the Syndicate, the members of the Syndicate shall upload the ASBA Bid onto the electronic bidding system of the Stock Exchanges and deposit the Bid cum Application Form with the relevant branch of the SCSB, named by such SCSB to accept such Bid cum Application Forms from the members of the Syndicate (A list of such branches is available at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html). The relevant branch of the SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form. For ASBA Bids submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form, before entering the ASBA Bid into the electronic bidding system.

(l) Except for Bids by or on behalf of the Central or State Government and the officials appointed by the courts and by Bidders residing in the State of Sikkim, the Bidders, or in the case of Bid in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Bid cum Application Form without the PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding (i) persons resident in the state of Sikkim; (ii) the Central and State Governments; and (iii) the officials appointed by the courts, who, may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

(m) Pursuant to SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 all Bidders can submit their application form through nationwide broker network of Stock Exchanges (i.e. around 400 broker centres to be covered by January 01, 2013). The details of locations including name of the broker, contact details such as name of the contact person, postal address, telephone number, e-mail address of the broker, etc. where the application forms shall be collected will be disclosed by the Stock Exchanges on their websites.

(n) Eligible investors may submit the Bid cum Application Form, indicating the mode of payment to the Non Syndicate Registered Brokers.

(o) All accepted applications shall be stamped and thereby acknowledged by the Non Syndicate Registered Brokers at the time of receipt and will be uploaded on the Stock Exchange platform.

(p) The Non Syndicate Registered Brokers shall be responsible for uploading the bid on the Stock Exchange platform, banking the cheque / submitting the Bid cum Application Form to SCSB, etc. and liable for any failure in this regard.

The Bidders should note that in case the DP ID and Client ID, BAN and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate do not match with the DP ID and Client ID and PAN available in the database of Depositories, the Bid cum Application Form is liable to be rejected and our Company, SCSBs and members of the Syndicate shall not be liable for losses, if any.

Additional information specific to ASBA Bidders

1. Bid cum Application Forms in physical form will be available with the Designated Branches and with the members of the Syndicate and the Non Syndicate Registered Brokers; and electronic Bid cum Application Forms will be available on the websites of the SCSBs, the Non Syndicate Registered Brokers and the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. Further, the SCSBs will ensure that the abridged Red Herring Prospectus is made available on their websites.

2. SCSBs may provide the electronic mode of Bidding either through an internet enabled Bidding and banking facility or such other secured, electronically enabled mechanism for Bidding and blocking funds in the ASBA Account. Eligible ASBA Bidders may also approach the Designated Branches to register their Bids through the ASBA process.

3. SCSBs shall accept Bids only during the Bidding/Issue Period and only from ASBA Bidders. SCSBs shall not accept any Bid cum Application Forms after the closing time for acceptance of Bids on the Bid/Issue Closing Date.

4. Each Bid cum Application Form shall bear the stamp of the Designated Branch or the members of the Syndicate (in case of Bids by ASBA Bidders) or the Non Syndicate Registered Broker, if not, the same shall be rejected.

Method and Process of Bidding

(a) The Company and the Selling Shareholders in consultation with the BRLMs will decide the Price Band for the Issue and the same shall be advertised in [●] editions of [●] English national daily, [●] editions of [●] Hindi national daily, and [●] edition of Telugu language newspaper, each with wide circulation, at least five Working Days prior to the Bid/ Issue Opening Date, with relevant financial ratios calculated at Floor Price and at the Cap Price. The Company in consultation with the BRLMs will decide the minimum Bid Lot size for the Issue and the same shall be advertised in [●] editions of [●] English national daily, [●] editions of [●] Hindi national daily, and [●] edition of Telugu language newspaper, each with wide circulation, at least five Working Days prior to the Bid/ Issue Opening Date.The Syndicate or their affiliates, and Non Syndicate Registered Brokers and the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period provided that the BRLMs, shall accept the Bids from Anchor Investors only during the Anchor Investor Bid/Issue Date.

(b) The Bid/Issue Period shall be for a minimum of three Working Days. The Bid/ Issue Period maybe extended, if required, subject to the total Bid/Issue Period not exceeding ten Working Days. In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/ Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in two national daily newspapers (one each in English and Hindi) and one Telugu newspaper, each with wide circulation and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate or their affiliates.

During the Bid/Issue Period, Bidders, other than QIBs, who are interested in subscribing for the Equity Shares should approach the Syndicate or their affiliates or their authorised agents or the Non Syndicate Registered Brokers to register their Bids. The Syndicate or their affiliates and the Non Syndicate Registered Brokers shall accept Bids from all Bidders and have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids or the Syndicate or their affiliates. ASBA Bidders Bidding through the Non Syndicate Registered Brokers are required to submit their Bids at the Non Syndicate Broker Centres.

(c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "***Bids at Different Price Levels and Revision of Bids***" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(d) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate, or the SCSBs or the Non Syndicate Registered Brokers, as the case may be. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate or SCBS or the Non Syndicate Registered Brokers will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the approval of the Basis of Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "***Build up of the Book and Revision of Bids***".

(e) Except in relation to the Bids received from the Anchor Investors, the Syndicate, the SCSBs or the Non Syndicate Registered Brokers, as the case may be, will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("**TRS**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form. With respect to the Bid cum Application Forms collected by any member of the Syndicate, the Syndicate Member will issue an acknowledgement by giving the counter foil of the Bid cum Application Form to the ASBA Bidder. The TRS will be generated by the concerned SCSB after blocking of funds.

(f) The BRLMs shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Date i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

(g) Along with the Bid cum Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described in '***Escrow Mechanism - Terms of payment and payment into the Escrow Accounts***' in the section '***Issue Procedure***' on page 378.

(h) With regard to a bid submitted to the members of the Syndicate or an ASBA Bid submitted to a Non Syndicate Registered Broker, upon receipt of the Bid cum Application Form by a member of the Syndicate or a Non Syndicate Registered Broker, as the case may be, the concerned member of the Syndicate or Non Syndicate Registered Broker shall issue an acknowledgement by giving the counter foil of the Bid cum Application Form to the ASBA Bidder as proof of having accepted the Bid. Thereafter, the member of the Syndicate or Non Syndicate Registered Broker, as the case may be, shall upload the details of the Bid in the electronic Bidding system of the Stock Exchanges and forward the Bid cum Application Form to the concerned SCSB. The SCSB shall carry out further action for such Bid cum Application Forms such as signature verification and blocking of funds.

(i) With regard to ASBA Bidders Bidding through the SCSBs, upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the respective Designated Branch shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

(j) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

(k) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

(l) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

(m) The Bid Amount shall 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 (by Retail Individual Bidders) or failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal (by Retail Individual Bidders) or failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

(n) The identity of a QIB (other than an Anchor Investor who has been allocated Equity Shares) Bidding in the issue shall not be made public.

INVESTORS ARE ADVISED NOT TO SUBMIT THE BID CUM APPLICATION FORMS TO THE ESCROW COLLECTION BANKS. BIDS SUBMITTED TO THE ESCROW COLLECTION BANKS SHALL BE REJECTED AND SUCH BIDDERS SHALL NOT BE ENTITLED TO ANY COMPENSATION ON ACCOUNT OF SUCH REJECTION.

Bids at Different Price Levels and Revision of Bids

(a) The Company and the Selling Shareholders, in consultation with the BRLMs and without the prior approval of, or intimation, to the Bidders, 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% of the Floor Price and the Floor Price shall not be less than the Face Value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least five days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

(b) The Company and the Selling Shareholders in consultation with the BRLMs will finalise the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

(c) The Company in consultation with the BRLMs, can finalise the Anchor Investor Issue Price, without the prior approval of, or intimation, to the Anchor Investors.

(d) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

(e) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price. In the event the Bid Amount is higher than the subscription amount payable Cut-off Price, the Retail Individual Bidder, who Bid at the Cut-off Price will receive refunds of the excess amounts in the manner provided in the Red Herring Prospectus.

(f) In accordance with SEBI Regulations, QIB Bidders and Non-Institutional Bidders are not permitted to lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. QIB Bidders and Non-Institutional Bidders may revise their Bids upwards (in terms of quantity of Equity Shares or the Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until finalisation of Basis of Allotment.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, see section titled "***Issue Procedure - Payment Instructions***" on page 404.

Electronic Registration of Bids

(a) The Syndicate or their affiliates and the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges.

(b) The Syndicate and the SCSBs will undertake modification of selected fields in the Bid details already uploaded within one Working Day from the Bid/Issue Closing Date.

(c) None of the Book Running Lead Managers, the Company, the Selling Shareholders or the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the Syndicate Members or the SCSBs, (ii) the Bids uploaded by the SCSBs or the Non Syndicate Registered Brokers; (iii) the Bids accepted but not uploaded by the SCSBs or the Non Syndicate Registered Brokers; or (iv) with respect to Bids by ASBA Bidders, Bids accepted and uploaded by the SCSBs and Non Syndicate Registered Brokers without blocking funds in the ASBA Accounts.

(d) A SCSB shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the SCSBs, (ii) the Bids uploaded by such SCSBs, (iii) the Bids accepted but not uploaded by such SCSB and (iv) with respect to Bids by ASBA Bidders, Bids accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Bids uploaded by the SCSB, the full Bid Amount has been blocked in the relevant ASBA Account. A Syndicate member shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to (i) the Bids accepted by such Syndicate member, (ii) the Bids uploaded by such Syndicate member, (iii) Bids accepted but not uploaded by such Syndicate member. With respect to Bids by ASBA Bidders, which are accepted and uploaded by a Syndicate member, the designated branches of the relevant SCSB, which receives the relevant schedule (along with Bid cum Application forms will be responsible for blocking the necessary amounts in the ASBA Accounts.

(e) In case of apparent data entry error by either the members of the Syndicate, Non Syndicate Registered Brokers or the collecting bank in entering the Bid cum Application Form number in their respective schedules, other things remaining unchanged, the Bid cum Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).

(f) The Syndicate and the SCSBs will undertake modification of selected fields in the BID details already uploaded within one working day from the Bid/Issue closing date to amend some of the data fields (currently DP ID, Client ID) entered by them in the electronic bidding system. Bidders are cautioned that a high inflow of Bids typically experienced on the last working day of the Bidding may lead to some Bids received on the last Working Day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be considered for allocation. Bids will only be accepted on Working Days.

(g) The Stock Exchanges will offer an electronic facility for registering Bids for the Issue. This facility will be available with the Syndicate and their authorised agents and the SCSBs and the Non Syndicate Registered Brokers during the Bid/ Issue Period. The Syndicate 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 will subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis. On the Bid/ Issue Closing Date, the Syndicate and the Designated Branches of the SCSBs and the Non Syndicate Registered Brokers shall upload the Bids till such time as may be permitted by the Stock Exchanges.

(h) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges would be made available at the bidding centres during the Bid/Issue Period.

(i) At the time of registering each Bid other than ASBA Bids, the Syndicate and the Non Syndicate Registered

Brokers shall enter the following details of the Bidders in the on-line system:

- Name of the Bidder;
- Numbers of Equity Shares Bid for;
- Bid Amount;
- Cheque amount or demand draft number;
- Cheque number
- Bid cum Application Form number;
- DP ID and client identification number of the beneficiary account of the Bidder;
- PAN (of the First Bidder, in case of joint Bidders);
- Price per Equity Share; and
- Investor Category and sub-category.

With respect to Bids by ASBA Bidders, at the time of registering such Bids, the SCSBs shall enter the following information pertaining to the ASBA Bidders into the online system:

- Name of the Bidder;
- ASBA Bid-cum-Application Form number shall be system generated;
- PAN (of the sole/First Bidder, in case of joint Bidders);
- DP ID and client identification number of the beneficiary account of the Bidders;
- Numbers of Equity Shares Bid for;
- Quantity;
- Price per Equity Share;
- Bid Amount; and
- Bank Account Number of the ASBA Bidder

With respect to ASBA Bids submitted to the members of Syndicate, or Non Syndicate Registered Brokers, at the time of registering each Bid, as the case may be shall enter the following details on the on-line system:

- Bid cum Application Form Number;
- PAN (of the sole/first Bidder);
- Investor category and sub-category;
- DP ID;
- Client ID;
- Number of Equity Shares Bid for;

- Price per Equity Share;
- Bank code for the SCSB where the ASBA Account is maintained;
- Bid Amount;
- Bank account number of the ASBA Bidder; and
- Name of Specified City.

(j) TRS will be generated for each of the bidding options when the Bid is registered. It is the Bidder's responsibility to obtain the TRS from the Syndicate or the Designated Branches of the SCSBs or the Non Syndicate Registered Brokers. The TRS will be generated by the concerned SCSB after blocking of funds. The registration of the Bid by the member of the Syndicate or the Designated Branches of the SCSBs or the Non Syndicate Registered Brokers does not guarantee that the Equity Shares shall be allocated / Allotted either by the the Company or the Selling Shareholders.

(k) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(l) In case of QIB Bidders, only the (i) SCSBs; and (ii) BRLMs and their affiliate Syndicate Members have the right to accept the Bid or reject it. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids will be rejected on technical grounds listed herein. The members of the Syndicate or their affiliates may also reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect. The SCSBs shall have no right to reject Bids, except on technical grounds.

(m) The permission given by the Stock Exchanges to use their network and software of the online IPO system cum electronic bidding should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company, the Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company, our Promoters, the management or any scheme or project of the Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

(n) Only Bids that are uploaded on the online IPO system cum electronic bidding of the Stock Exchanges shall be considered for allocation/ Allotment. Members of the Syndicate, the Non Syndicate Registered Brokers, and the SCSBs will be given up to one day after the Bid/Issue Closing Date to verify DP ID and Client ID uploaded in the online IPO system cum electronic bidding during the Bid/Issue Period after which the Registrar to the Issue will receive this data from the Stock Exchanges and will validate the electronic bid details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely, DP ID, BAN and PAN, then such bids are liable to be rejected.

(o) The details uploaded in the online IPO system cum electronic bidding shall be considered as final and Allotment will be based on such details.

(p) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of the electronic facilities of the Stock Exchanges.

(q) The members of the Syndicate located at the Syndicate ASBA Centres shall, before accepting the Bid cum Application Forms, satisfy themselves that the SCSBs whose name has been filled in the Bid cum Application Forms, has named a branch in that centre to accept the Bid cum Application Forms.

Build up of the book and revision of Bids

(a) Bids received from various Bidders through the Syndicate or the Non Syndicate Registered Brokers and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs at the end of each day of the Bid/Issue Period.

(c) Retail Individual Bidders are permitted to revise their Bid(s) during the Bid/Issue Period.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Syndicate or the Non Syndicate Registered Brokers and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.

(e) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or their affiliates or the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof. QIB Bidders and Non-Institutional Bidders are not permitted to lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. QIB Bidders and Non-Institutional Bidders may revise their Bids upwards (in terms of quantity of Equity Shares or Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form

(f) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall 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 wants to continue to Bid at Cut-off Price), with the Syndicate or their affiliates to whom the original Bid was submitted. 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 Red Herring Prospectus. If, however, the Retail Individual Bidder 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 Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

(g) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account or unblocked by SCSBs, in case of ASBA Bidders.

(h) The Company, in consultation with the BRLMs, shall 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.

(i) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the Bids by ASBA Bidders, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid Amount. In case of non-ASBA Bids, the members of the Syndicate or the Non Syndicate Registered Brokers, as the case may be, shall collect the payment in the form of cheque or demand draft, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases, the Syndicate or the Non Syndicate Registered Brokers will revise the earlier Bids details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment.

(j) The excess amount, if any resulting from downward revision of the Bid would be returned to the Retail

Individual Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus

(k) When a Bidder revises his or her Bid, he or she should surrender the earlier TRS, and request for a revised TRS from the members of the Syndicate or the Non Syndicate Registered Brokers, or the SCSB, as applicable, as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

(a) Based on the demand generated at various price levels, the Company and the Selling Shareholders, in consultation with the BRLMs, shall finalise the Issue Price and the Anchor Investor Issue Price.

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

(c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs and FIIs and FVCI registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(d) Allocation to Anchor Investors shall be at the discretion of the Company in consultation with the BRLMs, subject to compliance with the SEBI Regulations.

(e) QIB Bidders and Non- Institutional Bidders shall not be allowed to withdraw their Bid or lower he size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Further, the Anchor Investors shall not be allowed to withdraw their Bids or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until finalisation of Basis of Allotment.

(f) The Basis of Allotment shall be displayed on the website of the Registrar.

(g) Only Bids that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The members of the Syndicate, the Non Syndicate Registered Brokers and the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Bid data in the electronic Bidding systems of the Stock Exchanges. In order that the data so captured is accurate the members of the Syndicate, the Non Syndicate Registered Brokers and the SCSBs will be given up to one Working Day after the Bid/Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Withdrawal of ASBA Bids

Retail Individual Bidders can withdraw their Bids until finalization of Basis of Allotment. In case a Retail Individual Bidder applying through the ASBA process wants to withdraw the Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall perform the necessary actions, including deletion of details of the withdrawn Bid cum Application Form from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account.

In case a Retail Individual Bidder wishes to withdraw the Bid cum Application Form after the Bid/Issue Closing Date, such ASBA Bidder shall submit the withdrawal request to the Registrar before finalization of Basis of Allotment. The Registrar shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the SCSB once the basis of Allotment has been approved by the Designated Stock Exchange.₹

QIBs and Non-Institutional Bidders cannot withdraw their Bids at any stage.

Signing of the Underwriting Agreement and the RoC Filing

(a) The Company, the Selling Shareholders, the BRLMs and the Syndicate Members intend to enter into an

Underwriting Agreement on or after the finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, the Company and the Selling Shareholders will update and file the updated Red Herring Prospectus with the RoC in accordance with the applicable laws, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one Telugu language daily newspaper, each with wide circulation.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price and the Anchor Investor Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Allotment Advice

Upon approval of the basis of allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Syndicate a list of the Bidders who have been Allotted Equity Shares in the Issue. The approval of the basis of allotment by the Designated Stock Exchange for QIB Bidders (including Anchor Investors) may be done simultaneously with or prior to the approval of the basis of allotment for Retail and Non-Institutional Bidders. However, Bidders should note that our Company shall ensure that the Allotment of the Equity Shares is done within 12 Working Days of the Bid/Issue Closing Date. Bidder should also note that our Company shall ensure that the instructions by our Company for demat credit of the Equity Shares to all investors in the Issue shall be given on the same or the next date as the date of Allotment. The Registrar to the Issue will then dispatch an Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue. The dispatch of a Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Bidder.

Notice to Anchor Investors: Allotment Reconciliation and Anchor Investor Confirmation of Allocation Notices

A physical book will be 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 our Company in consultation with the BRLMs, selected Anchor Investors will be sent an Anchor Investor Confirmation of Allocation Notice and if required, a revised Anchor Investor Confirmation of Allocation Notice. All Anchor Investors will be sent Anchor Investor Confirmation of Allocation Notice post Anchor Investor Bid/Issue Day and in the event that the Issue Price is higher than the Anchor Investor Issue Price, the Anchor Investors will be sent a revised Anchor Investor Confirmation of Allocation Notice 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 should note that they shall be required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised Anchor Investor Confirmation of Allocation Notice within the pay-in date referred to in the revised Anchor Investor Confirmation of Allocation Notice. The revised Anchor Investor Confirmation of Allocation Notice will constitute a valid, binding and irrevocable contract (subject to the issue of Anchor Investor Confirmation of Allocation Notice) for the Anchor Investor to pay the difference between the Issue Price and the Anchor Investor Issue Price and accordingly the Anchor Investor Confirmation of Allocation Notice will be issued to such Anchor Investors. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Anchor Investors who have been Allotted Equity Shares will directly receive Anchor Investor Confirmation of Allocation Notice. The Anchor Investor Confirmation of Allocation Notice shall be deemed a valid, binding and irrevocable contract for the Allotment of Equity Shares to such Anchor Investors.

The final allocation is subject to the physical application being valid in all respect along with receipt of stipulated documents, the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price and Allotment by the Board of Directors.

Unblocking of ASBA Account

Once the basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose, within the timelines specified in the ASBA facility: (i) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in (ii) above shall 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 and/or unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and shall unblock the excess amount, if any, in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of notification from the Registrar to the Issue by the Controlling Branch of the SCSB, in relation to the approval of the Basis of Allotment in the Issue by the Designated Stock Exchange in the event of withdrawal or failure of the Issue or rejection of the ASBA Bid, as the case may be.

Designated Date and Allotment of Equity Shares

(a) The Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Bidder's depositary account will be completed within 12 (twelve) Working Days of the Bid/Issue Closing Date.

(b) In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

(a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under the applicable law;

(b) Ensure that you have Bid within the Price Band;

(c) Read all the instructions carefully and complete the Bid cum Application Form;

(d) Ensure that the details about the Depository Participant and the beneficiary account are correct and the Bidder's depository account is active as Allotment of Equity Shares will be in the dematerialised form only;

(e) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the member of the Syndicate or or the Non Syndicate Registered Brokers, as the case may be, or with respect to ASBA Bidders, ensure that your Bid is submitted to a member of the Syndicate or with the Non Syndicate Registered Brokers, or at a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the Bidder for bidding has a bank account;

(f) With respect to Bids by ASBA Bidders 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 BAN in the Bid cum Application Form;

(g) QIBs (other than Anchor Investors) and Non Institutional Bidders should submit their Bids through the ASBA process only;

(h) Ensure that you request for and receive a TRS for all your Bid options;

(i) Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the Bid cum Application Form to the respective Designated Branch of the SCSB or a member of the Syndicate, or the Non Syndicate Registered Brokers as the case may be;

(j) Ensure that the full Bid Amount is paid for the Bids submitted to the members of the Syndicate. or the Non Syndicate Registered Brokers and funds equivalent to the Bid Amount are blocked in case of any Bids submitted though the SCSBs;

(k) Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;

(l) Submit revised Bids to the same member of the Syndicate or the Non Syndicate Registered Brokers /SCSB through whom the original Bid was placed and obtain a revised TRS;

(m) 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 Income Tax Act. The exemption for the Central or 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 case of residents of Sikkim, the address as per the demographic details evidencing the same;

(n) Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

(o) 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;

(p) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders;

(q) Ensure that the DP ID, BAN and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate or the Non Syndicate Registered Brokers match with the DP ID, BAN and PAN available in the Depository database.

(r) The Bid cum Application Form is liable to be rejected if these instructions are not complied with.

Don'ts:

(a) Do not Bid for lower than the minimum Bid lot;

(b) Do not Bid/ revise Bid Amount to less than the Floor Price or higher than the Cap Price;

(c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the member of the

Syndicate or the Non Syndicate Registered Brokers or the SCSBs, as applicable;

(d) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;

(e) Do not send Bid cum Application Forms by post, instead submit the same to a member of the Syndicate or the Non Syndicate Registered Brokers or the SCSBs only;

(f) Do not Bid at Cut-off Price (for QIB Bidders and Non-Institutional Bidders);

(g) Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);

(h) Do not Bid on a Bid cum Application Form that does not have the stamp of the BRLMs, Syndicate Member, or the Non Syndicate Registered Brokers, or the SCSBs

(i) Anchor Investors should not Bid through ASBA process;

(j) 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 Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

(k) If you are a QIB Bidder or a Non Institutional Bidder, do not Bid via any mode other than ASBA;

(l) Do not submit a Bid if you are not competent to enter into a contract under the Indian Contract Act, 1872, as amended (except minors having valid depository accounts as per Demographic Details provided by Depositories);

(m) Do not submit the Bid cum Application Form to Escrow Collection Bank(s);

(n) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground;

(o) Do not submit the Bids without the full Bid Amount;

(p) Do not submit a Bid that does not comply with the securities laws of your jurisdiction;

(q) Do not submit in case you are not eligible to acquire Equity Shares under applicable law or relevant constitutional documents or otherwise;

(r) Do not withdraw your Bid(s) or lower the size of your Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage (for Bids by QIB Bidders and Non-Institutional Bidders)

(s) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms/ ASBA Forms, or on Bid cum application Forms in a colour prescribed for another category of Bidder;

(t) Do not submit incorrect details of the DP ID, BAN 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;

(u) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

(v) Do not submit more than five Bid cum Application Forms per bank account;

(w) Do not Bid if you are an OCB.

ADDITIONAL INSTRUCTIONS SPECIFIC TO ASBA BIDDERS

Do's:

(a) Check if you are eligible to Bid under ASBA;

(b) Ensure that you use the ASBA Form;

(c) Read all the instructions carefully and complete the ASBA Form;

(d) Before submitting the physical ASBA Form with the member of the Syndicate or the Non Syndicate Registered Brokers for Bidding ensure that the SCSB, whose name has been filled in the ASBA Form, has named a branch as an ASBA Centre;

(e) If you are submitting to an SCSB, ensure that your ASBA Form is submitted at a Designated Branch where the ASBA Account is maintained, or the person whose bank account will be utilised by the Bidder for Bidding, has the ASBA Account, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB), to our Company, the Selling Shareholders or the Registrar to the Issue;

(f) With respect to ASBA Bidders Bidding on physical ASBA Form, ensure that your Bid is submitted at a Designated Branch of the SCSB where the relevant ASBA Account is held.

(g) Ensure that the ASBA Form is signed by the ASBA Account holder in case the ASBA Bidder is not the account holder;

(h) Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;

(i) Ensure that you have funds at least equal to the Bid Amount in the ASBA Account before submitting the ASBA Form to the respective Designated Branch;

(j) Ensure that you have correctly ticked, provided or checked the authorisation box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form;

(k) Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Syndicate or the Non Syndicate Registered Brokers, as the case may be, for the submission of your ASBA Form;

(l) Submit ASBA Revision Form to the same Designed Branch or the concerned member of the Syndicate or the Non Syndicate Registered Brokers, as the case may be, through whom the ASBA Form was placed and obtain a revised acknowledgment;

(m) Ensure that the name(s) given in the ASBA Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the ASBA Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Form.

Don'ts:

(a) Do not Bid on another ASBA Form or on a Bid cum Application Form after you have submitted a Bid to a Designated Branch or the member of the Syndicate or the Non Syndicate Registered Brokers, as the case may be;

(b) Payment of Bid Amounts in any mode other than through blocking of Bid Amounts in the ASBA Accounts shall not be accepted under the ASBA;

(c) Do not submit the ASBA Form with a member of the Syndicate or the Non Syndicate Registered Brokers, where your SCSB has not designated an ASBA Centre;

(d) Do not send your physical ASBA Form by post. Instead submit the same to a Designated Branch; and

(e) Do not submit more than five Bid cum Application Forms per ASBA Account.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders and ASBA Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate or the Non Syndicate Registered Brokers. ASBA Bidders can also obtain ASBA Bid-cum-Application Forms from the Designated Branches of the SCSBs. ASBA Bidders can also obtain a copy of the ASBA Bid-cum-Application Form in electronic form from the websites of the SCSB or the Stock Exchanges. Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders should note that the members of the Syndicate or the Non Syndicate Registered Brokers and / or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.

(c) Information provided by the Bidders will be uploaded in the online IPO system by the members of the Syndicate, the Non Syndicate Registered Brokers and the SCSBs, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Bidders should ensure that the details are correct and legible.

(d) For Retail Individual Bidders, the Bid must be for a minimum of [•] Equity Shares and in multiples of [•] thereafter subject to a maximum Bid Amount of ₹ 200,000.

(e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [•] Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations. Bids (other than by Anchor Investors) must be submitted through the ASBA process only.

(f) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to ₹ 100 million and in multiples of [•] Equity Shares thereafter. Bids by various schemes of a Mutual Fund in the Anchor Investor Category shall be considered together for the purpose of calculation of the minimum Bid Amount of ₹ 100 million.

(g) In single name or in joint Bids, only the name of the first Bidder (which should also be the first name in which the beneficiary account is held) should be provided in the Bid cum Application Form.

(h) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's PAN, Depository Account and Bank Account Details

Bidders should note that on the basis of PAN of the Bidders, DP ID and BAN provided by them in the Bid cum Application Form, the Registrar will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as "Demographic Details"). These bank account details would be used for giving refunds (including through physical refund warrants, direct credit, NECS and NEFT) or unblocking of ASBA Account. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders or unblocking of ASBA Account at the Bidders sole risk and neither the BRLMs or the Registrar or the Escrow Collection Banks or the SCSBs nor the Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BAN IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM

APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/Allocation Advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Refund orders/ Allotment Advice would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder (other than ASBA Bidders) in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Bidder's sole risk and neither the Company, the Selling Shareholders, the Escrow Collection Banks, Registrar, the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the parameters, namely, PAN and BAN of the Bidder and the DP ID/Client ID, then such Bids are liable to be rejected.

Bidders may note that in case the DP ID, Client ID, BAN and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate or the Non Syndicate Registered Brokers or the SCSBs do not match with the DP ID, Client ID, BAN and PAN available in the Depository's database, the application is liable to be rejected.

The Company in their absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice or refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar to the Issue shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non-Residents including Eligible NRIs, FIIs, Eligible QFIs and Foreign Venture Capital Investors on a repatriation basis

Bids and revision to Bids must be made in the following manner:

1. On the Bid cum Application Form or the Revision Form, as applicable (blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

2. In a single name in case of joint Bids, only the name of the first Bidder (which should also be the first name in which the beneficiary account is held) should be provided in the Bid cum Application Form.

3. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs, Eligible QFIs but not in the names of persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding NRIs or Eligible QFIs) or their nominees.

Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission.

There is no reservation for Eligible NRIs, Eligible QFIs and FIIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

In accordance with the FEMA and regulations thereunder, OCBs cannot Bid in the Issue.

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, Eligible QFIs that are corporate or statutory entities, 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.

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.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

The Company, the Selling Shareholders and the Syndicate shall open Escrow Account(s) with one or more Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (including the amount due to the Selling Shareholders and 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 Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Company, the Selling Shareholders, the Syndicate or their affiliates, the Escrow Collection Banks and the Registrar to facilitate collections from the Bidders.

Payment into Escrow Account is applicable only to Retail Individual Bidders and Anchor Investors.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the bank account number in the Bid cum Application Form and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal by Retail Individual Bidders or / rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount. In the event of withdrawal by Retail Individual Bidders or rejection of the Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar shall give instructions to the SCSB to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bids by ASBA Bidder, as the case may be.

In case of Bids by FIIs, a Special Rupee Account should be mentioned in the Bid cum Application Form, for blocking of funds, along with documentary evidence in support of the remittance.

Payment into Escrow Account for Bidders other than ASBA Bidders

Each Bidder shall draw a cheque or demand draft for the Bid Amount payable on the Bid as per the following terms:

1. All Bidders would be required to pay the full Bid Amount at the time of the submission of the Bid cum Application Form.

2. The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate or the Non Syndicate Registered Brokers. If the payment is not made favouring the Escrow Account along with the Bid cum Application Form, the Bid of the Bidder shall be rejected.

3. The payment instruments for payment into the Escrow Account should be drawn in favour of:

    (a) In case of Resident Retail Individual Bidders: "[●]"

    (b) In case of Non-Resident Retail Individual Bidders: "[●]"

4. Anchor Investors would be required to pay the Bid Amount at the time of submission of the Bid cum Application Form. Each Anchor Investor shall provide their Bid Amount only to a BRLM. In the event of the Issue Price being higher than the Anchor Investor Issue Price, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the Anchor Investor Issue Price and the Issue Price as per the pay-in date mentioned in the revised Anchor Investor Confirmation of Allocation Notice. If the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.

5. 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: "[●]"

    (b) In case of non-resident Anchor Investors: "[●]"

6. In case of Bids by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

7. In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application

remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a Non-Resident Ordinary (NRO) Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

8. The monies deposited in the Escrow Account will be held for the benefit of the Bidders (other than ASBA Bidders) till the Designated Date.

9. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.

10. Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stockinvest/money orders/postal orders will not be accepted.

11. Payments made through cheques without the Magnetic Ink Character Recognition ("**MICR**") code will be rejected.

12. Where the Bidder has been allocated a lesser number of Equity Shares than he or she had Bid for, the excess amount paid on Bidding, if any, after adjustment for Allotment, will be refunded to such Bidder within 12 Working Days from the Bid/Issue Closing Date.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate or the Non Syndicate Registered Brokers at the time of submission of the Bid. With respect to the ASBA Bidders, the Bid cum Application Form or the ASBA Revision Form shall be submitted to the Designated Branches of the SCSBs or to members of the Syndicate or the Non Syndicate Registered Brokers.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate and the Non Syndicate Registered Brokers will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder. In case of ASBA Bids, an acknowledgement from the Designated Branch, concerned member of the Syndicate or the relevant Non Syndicate Registered Broker, as the case may be, for submission of the Bid cum Application Form may be provided.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the first (the first name under which the beneficiary account is held) Bidder whose name appears in the Bid cum Application Form or Revision Form. All communications will be addressed to the Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required.In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of the Mutual Fund 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 QIBs under the Anchor Investor Portion and the QIB Portion (excluding the Anchor Investor Portion) will not be treated as multiple Bids.

After submitting a bid through the ASBA process using a Bid cum Application Form either in physical or electronic mode, where such ASBA Bid has been submitted to the SCSBs or members of the Syndicate and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, whether on another Bid cum Application Form, to either the same or another Designated Branch of the SCSB, or to the same or another member of the Syndicate or the Non Syndicate Registered Brokers. Submission of a second Bid in such manner will be deemed a multiple Bid and would be rejected either before entering the Bid into the electronic Bidding system or at any point of time prior to the allocation or Allotment of Equity Shares in the Issue. However, ASBA Bidders may revise their Bids through the Revision Form, the procedure for which is described in " ***Issue Procedure - Build up of the Book and Revision of Bids***" on page 394.

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Bid cum Application Forms with respect to any single ASBA Account.

Duplicate copies of Bid cum Application Forms downloaded and printed from the website of the Stock Exchanges bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

The Company, in consultation with the BRLMs, reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. All Bids will be checked for common PAN as per the records of Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN will be treated as multiple Bids and will be rejected.

Permanent Account Number or PAN

Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/ her PAN allotted under the I.T. Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. **Any Bid cum Application Form without the PAN is liable to be rejected, except for (i) residents in the state of Sikkim; (ii) the Central or State Governments; and (iii) the officials appointed by the courts, may be exempted from specifying their PAN for transactions in the securities market. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground**.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Bids, the Registrar will check under the Depository records for the appropriate description under the PAN field *i.e.* either Sikkim category or exempt category.

With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified have been labelled "suspended for credit" by the Depositories and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Bidders.

Withdrawal of ASBA Bids

QIBs and Non-Institutional Bidders cannot withdraw or lower the size of their Bids (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until finalisation of Basis of Allotment.

ASBA Bidders (other than QIBs and Non-Institutional Bidders) can withdraw their Bids during the Bid/Issue Period by submitting such a request to the concerned SCSB or the concerned member of the Syndicate, or the Non Syndicate Registered Broker as applicable, who shall take appropriate action, including deletion of details of the withdrawn Bid cum Application Form from the electronic Bidding system of the Stock Exchanges. Further the SCSBs shall unblock the funds in the ASBA Account either directly or at the instruction of the member of the Syndicate which had forwarded to it the Bid Cum Application Form.

In case an ASBA Bidder (other than a QIB and Non-Institutional Bidder) wishes to withdraw its Bid after the Bid/Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file and give appropriate instructions to the SCSB for unblocking the ASBA Account after approval of the 'Basis of Allotment'.

REJECTION OF BIDS

Bids by persons prohibited from buying, selling or dealing in the Equity Shares directly or indirectly by SEBI or any other regulatory authority shall be rejected by our Company in consultation with the BRLMs. The Company has a right to reject Bids based on technical grounds. In case of QIB Bidders (other than Anchor Investors), the Company, in consultation with the BRLMs, may at the time of submission of the Bid, reject such Bids provided that the reasons for rejecting the same shall be provided to such Bidders in writing. Consequent refunds shall be made by RTGS/NEFT/NECS/Direct Credit/cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk. With respect to Bids by ASBA Bidders, the Designated Branches of the SCSBs shall have the right to reject Bids by ASBA Bidders if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the Bid by ASBA Bidder by the SCSB, the Company would have a right to reject the ASBA Bids only on technical grounds.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids by ASBA Bidders, the amounts mentioned in the Bid cum Application Form does not tally with the amount payable for the value of the Equity Shares Bid for;
- Application by the applicant SCSBs through blocking of funds within the same SCSBs
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply. However a limited liability partnership firm can apply in its own name;
- Bids by QIB Bidders submitted after 3 pm on the QIB Bid/Issue Closing Date, Bids by Non-Institutional Bidders submitted after 3 pm on the Bid/Issue Closing Date, and Bids by Retail Individual Bidders submitted after 3 pm on the Bid/Issue Closing Date unless extended by the Stock Exchanges, as applicable;
- Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per the Demographic Details provided by the Depositories);
- DP ID and PAN not mentioned in the Bid cum Application Form, except for Bids by or on behalf of the Central and State Government and the officials appointed by the courts and by investors residing in the State of Sikkim provided such claims have been verified by the DP, DP ID and BAN not mentioned in the Bid cum Application Form;
- GIR number furnished instead of PAN;
- Bids by OCBs;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than the Floor Price;
- Bids at a price more than the Cap Price;
- Signature of sole and/or joint Bidders missing;
- Submission of more than five Bid cum Application Forms per bank account;

- Bids at Cut-off Price by Non-Institutional and QIB Bidders;
- Bids for a Bid Amount of more than ₹ 200,000 by Retail Individual Bidders applying through the non - ASBA process
- Bids for number of Equity Shares which are not in multiples of [•];
- Category not indicated or Bids submitted in the wrong category;
- Multiple Bids as defined in the Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by stockinvest/money order/postal order/cash;
- Bid cum Application Forms does not have the stamp of the BRLMs or Syndicate Members or the Non Syndicate Registered Brokers or the SCSB (except for electronic ASBA Bids);
- Bid cum Application Forms does not have Bidder's depository account details or the details given are incorrect or incomplete;
- Bid cum Application Forms not being signed by the ASBA account holder, if the account holder is different from the ASBA Bidder;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches the Depository Participant's identity (DP ID) and the BAN;
- With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account or details of the ASBA Account to be blocked is not mentioned;
- Bid cum Application Forms submitted under the ASBA process not containing the authorization for blocking the Bid Amount in the bank account specified in the Bid cum Application Form;
- With respect to ASBA Bids, where no confirmation is received from SCSB for blocking of funds;
- Bids by Bidders whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Bids by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process;
- Bids by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied by cheque(s) or demand draft(s);
- Bids by persons in the United States other than in reliance of Regulation S under the Securities Act;

- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.

Pursuant to SEBI circular bearing no. CIR/CFD/DIL/1/2013 dated January 2, 2013, ASBA Bidders being banks should have a separate ASBA Account in its own name with any other SEBI registered SCSB. Such ASBA Account shall be used solely for the purpose of making application in the Issue and clear demarcated funds should be available in such ASBA Account for Bids under ASBA

For Bid cum Application Forms from non-ASBA Bidders, the basis of Allotment will be based on the Registrar's validation of the electronic Bid details with the depository records, and the complete reconciliation of the final certificates received from the Escrow Collection Banks with the electronic bid details in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010. The Registrar to the Issue will undertake technical rejections based on the electronic bid details and the depository database. In case of any discrepancy between the electronic Bid data and the depository records, the Issuer reserves the right to proceed as per the depository records or treat such Bid as rejected.

IN TERMS OF THE SEBI CIRCULAR CIR/CFD/DIL/3/2010 DATED APRIL 22, 2010, FOR BID CUM APPLICATION FORMS, THE REGISTRAR TO THE ISSUE WILL RECONCILE THE COMPILED DATA RECEIVED FROM THE STOCK EXCHANGES AND ALL SCSBS, AND MATCH THE SAME WITH THE DEPOSITORY DATABASE FOR CORRECTNESS OF DP ID, CLIENT ID AND PAN. IN CASES WHERE ANY DP ID, CLIENT ID AND PAN MENTIONED IN THE BID FILE FOR AN ASBA BIDDER DOES NOT MATCH THE ONE AVAILABLE IN THE DEPOSITORY DATABASE THE ISSUER RESERVES THE RIGHT TO PROCEED AS PER THE DEPOSITORY RECORDS ON, SUCH ASBA BIDS OR TREAT SUCH ASBA BIDS AS REJECTED. THE REGISTRAR TO THE ISSUE WILL REJECT MULTIPLE ASBA BIDS BASED ON COMMON PAN.

IN CASE THE DP ID, CLIENT ID, BAN AND PAN MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC BIDDING SYSTEM OF THE STOCK EXCHANGES BY THE MEMBERS OF THE SYNDICATE OR THE NON SYNDICATE REGISTERED BROKERS /THE SCSBs DO NOT MATCH WITH THE DP ID, CLIENT ID, BAN AND PAN AVAILABLE IN THE RECORDS WITH THE DEPOSITARIES, THE APPLICATION IS LIABLE TO BE REJECTED.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar:

- Agreement dated June 30, 2006 among NSDL, the Company and the Registrar;
- Agreement dated [●], among CDSL, the Company and the Registrar.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

(a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

(b) The Bidder must necessarily fill in the details (including the BAN and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

(c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

(d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint Bids, only the name of the first Bidder (which should also be the first name in which the beneficiary account is held) should be provided in the Bid cum Application Form. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

(e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

(f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

(g) Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

(h) The trading of the Equity Shares of the Company would be in dematerialised form only for all Bidders in the demat segment of the respective Stock Exchanges.

(i) Non transferable advice or refund orders will be directly sent to the Bidders by the Registrar to the Issue.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Non Syndicate Registered Brokers or the Designated Branch of the SCSBs where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, BAN in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the ASBA process may be addressed either to (i) the concerned member of the Syndicate and the relevant SCSB, in the event of a Bid submitted by an ASBA Bidder at any of the ASBA Centres, or (ii) the Designated Branch of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application, in the event of a Bid submitted directly with a Designated Branch by an ASBA Bidder; in both cases with a copy to the Registrar to the Issue.

Bidders 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 shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can contact the Designated Branches of the SCSBs.

PAYMENT OF REFUND

Non-ASBA Bidders must note that on the basis of Bidder's DP ID and BAN provided by them in the Bid cum Application Form, the Registrar will obtain, from the Depositories, the Bidders' bank account details, including the nine digit MICR code as appearing on a cheque leaf to make refunds. Bidders are advised to immediately update their details as appearing on the records of their Depository Participants. 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 will be at the Bidders' sole risk and neither our Company, the Selling Shareholders, the Registrar to the Issue, the Escrow Collection Banks, or the members of the Syndicate, or the Non Syndicate Registered Brokers, will be liable to compensate the Bidders for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

On the Designated Date and no later than 12 (twelve) Working Days from the Bid/Issue Closing Date, the Escrow

Collection Bank shall despatch refund orders for all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also the excess amount paid on bidding, if any, after adjusting for allocation/Allotment to such Bidders.

Mode of making refunds for non- ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes by any of the following:

1. NECS – Payment of refund would be done through NECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories.

2. Direct Credit – Applicants having bank accounts with the Refund Banks, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank for the same would be borne by our Company.

3. RTGS –Bidders having a bank account with a bank branch which is RTGS-enabled as per the information available on the RBI's website and whose refund amount exceeds ₹ 0.2 million, will be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Bidder's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code ("**IFSC**"). Any bank charges levied by the Refund Bank will be borne by our Company. Any bank charges levied by the Bidders' bank receiving the credit will be borne by the respective Bidders.

4. NEFT – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the IFSC, which can be linked to a MICR, if any, available to that particular bank branch. IFSC will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the applicants through this method.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Bank(s) and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar shall instruct the SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Bid Amount specified in the Bid cum Application Forms for withdrawn (by Retail Individual Bidders), rejected or unsuccessful or partially successful ASBA Bids within 12 (twelve) Working Days of the Bid/Issue Closing Date.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

With respect to non-ASBA Bidders, the Company and the Selling Shareholders shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants of the Bidders and submit the documents pertaining to the Allotment to the Stock Exchanges 12 (twelve) Working Days from the Bid/Issue Closing Date.

In case of applicants who receive refunds through NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 (twelve) Working Days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 15 (fifteen) 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.

The Company and the Selling Shareholders shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within 12 (twelve) Working Days of the Bid/Issue Closing Date. Further, each Selling Shareholder confirms that it shall provide all reasonable support and co-operation for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within 12 (twelve) Working Days of the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 12 (twelve) Working Days of the Bid/Issue Closing Date.

- With respect to non-ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 (twelve) Working Days of the Bid/Issue Closing Date would be ensured. With respect to the ASBA Bidders, instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 12 (twelve) Working Days from the Bid/Issue Closing Date.

- The Company and the Selling Shareholders shall pay interest at 15% p.a. for any delay beyond 15 (fifteen) days from the Bid/ Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 12 (twelve) Working Days prescribed above. If such money is not repaid within eight days from the day the Company and the Selling Shareholders become liable to repay the Company, the Selling Shareholders and every Director of the Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

- Our Company and the Selling Shareholders will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company and the Selling Shareholders as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

> **"*Any person who:***
>
> ***(a)*** ***makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or***
>
> ***(b)*** ***otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,***
>
> ***shall be punishable with imprisonment for a term which may extend to five years.*"**

BASIS OF ALLOTMENT

A. **For Retail Individual Bidders**

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

- The Issue size less Allotment to Non-Institutional and QIB Bidders will be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- In the event, the Bids received from Retail Individual Bidders exceeds [●] Equity Shares then the maximum number of Retail Individual Bidders who can be allocated/ Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for allocation/Allotment to Retail Individual Bidders by the minimum Bid Lot ("**Maximum RII Allottees**"). The allocation/Allotment to retail individual bidders will then be made in the following manner:

    i. In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) Retail Individual Bidders shall be allocated/Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion shall be allocated/Allotted on a proportionate basis to the Retail Individual Bidders who have received allocation/Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

    ii. In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is more than Maximum RII Alottees, the Retail Individual Bidders (in that category) who will then be allocated/Allotted minimum Bid Lot shall be determined on draw of lots basis.

For details see, "***Issue Procedure – Illustration Explaining Procedure of Allotment to Retail Individual Bidders***" on page 415.

- Each successful Retail Individual Bidder shall be Allotted a minimum of [●] Equity Shares

B. For Non-Institutional Bidders

(i) Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

(ii) The Issue size less Allotment to QIBs and Retail will be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

(iii) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

(iv) In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares, and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

C. For QIBs (other than Anchor Investors)

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the successful QIB Bidders will be made at the Issue Price.
- The QIB Portion will be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:

  (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion (excluding Anchor Investor Portion) shall be determined as follows:

    (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion (excluding Anchor Investor Portion), allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion (excluding Anchor Investor Portion).

    (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion) then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

    (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds will be available for Allotment to all QIB Bidders as set out in (b) below

  (b) In the second instance Allotment to all QIBs shall be determined as follows:

    (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.

    (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.

    (iii) Under-subscription below 5% of the QIB Portion (excluding Anchor Investor Portion), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

- The aggregate Allotment (other than spill over in case of under-subscription in other categories) to net QIB Bidders shall be up to [●] Equity Shares.

D. For Anchor Investor Portion

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Company, in consultation with the BRLMs, subject to compliance with the following requirements:

(a) not more than 30% of the QIB Portion will be allocated to Anchor Investors;

(b) 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

(c) allocation to Anchor Investors shall be on a discretionary basis and subject to:

  (i) a maximum number of two Anchor Investors for allocation upto ₹ 100 million;

  (ii) a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2,500 million subject to minimum allotment of ₹ 50 million per such Anchor Investor; and

(iii) a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 2,500 million subject to minimum allotment of ₹ 50 million per such Anchor Investor.

The number of Equity Shares allocated to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the BRLMs before the Bid/ Issue Opening Date by intimating the same to the Stock Exchanges;

Illustration Explaining Procedure of Allotment to Retail Individual Bidders *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Total number of equity shares offered in the issue: 10 million, at an issue price of ₹ 600 per equity share. The retail portion for the issue consists of 3.5 million equity shares. The issuer fixes the minimum bid lot as 20 equity shares.

A. A total of 0.1 million retail individual bidders have applied in the issue, in varying number of bid lots i.e. between 1 to 16 bid lots, based on the maximum application size of up to ₹ 200,000. The retail individual bidders' category is oversubscribed 4 times. From the 0.1 million retail individual bidders there are five retail individual bidders, namely A, B, C, D and E, who have applied in the issue as follows: A has applied for 320 equity shares, B has applied for 220 equity shares, C has applied for 120 equity shares, D has applied for 60 equity shares and E has applied for 20 equity shares. As per the SEBI Regulations, the allotment to retail individual bidders shall not be less than the minimum bid lot, subject to availability of shares, and the remaining available shares, if any, shall be allotted on a proportionate basis. Accordingly, the actual entitlement of each of A, B, C, D and E shall be as follows:

Name of the retail individual bidder	Total No. of equity shares applied for	Total number of equity shares eligible to be allotted
A	320	**20 equity shares** (i.e. the minimum bid lot) + **38 equity shares** [{3,500,000 - (100,000 * 20)} / {14,000,000 - (100,000 * 20)}] * 300 (i.e. 320-20)
B	220	**20 equity shares** (i.e. the minimum bid lot) + **25 equity shares** [{35,00,000 - (1,00,000 * 20) / {140,00,000 - (1,00,000 * 20)}] * 200 (i.e. 220-20)
C	120	**20 equity shares** (i.e. the minimum bid lot) + **13 equity shares** [{35,00,000 - (1,00,000 * 20)} / {(140,00,000 - (1,00,000 * 20)}] * 100 (i.e. 120-20)
D	60	**20 equity shares** (i.e. the minimum bid lot) + **5 equity shares** [{(35,00,000 - 1,00,000 * 20)} / {(140,00,000 - (1,00,000 * 20)}] * 40 (i.e. 60-20)
E	20	**20 equity shares** (i.e. the minimum bid lot)

B. A total of 0.2 million retail individual bidders have applied in the issue, in varying number of bid lots i.e. between 1 to 16 bid lots, based on the maximum application size of upto ₹ 200,000. The retail individual bidders' category is oversubscribed 9.37 times. Since the total number of equity shares offered retail individual bidders is 3,500,000 and the minimum bid lot is 20 equity shares, the maximum number of retail individual bidders who can be allotted this minimum bid lot will be 175,000 (i.e. 3,500,000/20). The remaining 25,000 retail applicants will not get allotment and such bidders will be determined on basis of draw of lots, in the manner provided below:

No. of lots	No. of Equity Shares at each lot	No. of retail individual bidders applying at each lot	Total No. Of equity shares applied for at each lot	No. of retail individual bidders who shall receive minimum bid-lot (to be selected on lottery)
A	**B**	**C**	**D=(B*C)**	**E (175,000/200,000)*C**

No. of lots	No. of Equity Shares at each lot	No. of retail individual bidders applying at each lot	Total No. Of equity shares applied for at each lot	No. of retail individual bidders who shall receive minimum bid-lot (to be selected on lottery)
1	20	10,000	200,000	8,750
2	40	10,000	400,000	8,750
3	60	10,000	600,000	8,750
4	80	10,000	800,000	8,750
5	100	20,000	2,000,000	17,500
6	120	20,000	2,400,000	17,500
7	140	15,000	2,100,000	13,125
8	160	20,000	3,200,000	17,500
9	180	10,000	1,800,000	8,750
10	200	15,000	3,000,000	13,125
11	220	10,000	2,200,000	8,750
12	240	10,000	2,400,000	8,750
13	260	10,000	2,600,000	8,750
14	280	5,000	1,400,000	4,375
15	300	15,000	4,500,000	13,125
16	320	10,000	3,200,000	8,750
Total		**200,000**	**32,800,000**	**1,75,000**

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue Details

Particulars	Issue details
Issue size	200 million equity shares
Allocation to QIB (up to 50% of the Issue)	100 million equity shares
Of which:	
a. Reservation For Mutual Funds, (5%)	5 million equity shares
b. Balance for all QIBs including Mutual Funds	95 million equity shares
Number of QIB applicants	10
Number of Equity Shares applied for	500 million equity shares

B. Details of QIB Bids

Sl. No.	Type of QIBs*	No. of shares bid for (in million)
1.	A1	50
2.	A2	20
3.	A3	130
4.	A4	50
5.	A5	50
6.	MF1	40
7.	MF2	40
8.	MF3	80
9.	MF4	20
10.	MF5	20
11.	**Total**	**500**

* *A1-A5: (QIBs other than Mutual Funds), MF1-MF5 (QIBs which are Mutual Funds) Details of Allotment to QIBs Applicants*

C. Details of Allotment to QIBs / Applicants

Type of QIB	Shares bid for	Allocation of 5% Equity Shares	Allocation of 95% Equity Shares	Aggregate allocation to Mutual Funds
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
	(Number of equity shares in million)			
A1	50	0	9.60	0
A2	20	0	3.48	0
A3	130	0	24.95	0
A4	50	0	9.60	0
A5	50	0	9.60	0
MF1	40	1	7.48	8.48
MF2	40	1	7.48	8.48
MF3	80	2	14.97	16.97
MF4	20	0.5	3.74	4.24
MF5	20	0.5	3.74	4.24
	500	**5**	**95**	**42.41**

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "***Issue Structure***" at page 372.

2. Out of 100 million Equity Shares allocated to QIBs, 5 million (i.e., 5%) will be Allotted on a proportionate basis among five Mutual Fund applicants who applied for 200 million Equity Shares in the QIB Portion.

3. The balance 95 million Equity Shares i.e., 100 -5 (available for Mutual Funds only) will be Allotted on a proportionate basis among 10 QIB Bidders who applied for 500 million Equity Shares (including 5 Mutual Fund applicants who applied for 200 million Equity Shares).

4. The figures in the fourth column entitled "Allocation of balance 95 million Equity Shares to QIBs proportionately" in the above illustration are arrived at as explained below:

   - For QIBs other than Mutual Funds (A1 to A5) = Number of Equity Shares Bid for × 95/495

   - For Mutual Funds (MF1 to MF5) = (No. of shares bid for (i.e., in column II of the table above) less Equity Shares Allotted (i.e., column III of the table above) × 95/495

   - The numerator and denominator for arriving at the allocation of 95 million Equity Shares to the 10 QIBs are reduced by 5 million shares, which have already been Allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, the Company shall finalise the Basis of Allotment in consultation with the Designated Stock Exchange. The executive director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar shall be responsible for ensuring that the Basis of Allotment is finalised in a fair and proper manner.

The Allotment to QIB Bidders (except Anchor Investors) and Non-Institutional Bidders shall be made in marketable lots, on a proportionate basis as explained below:

a) Bidders will be categorised according to the number of Equity Shares applied for.

b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of

Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

c) Number of Equity Shares to be Allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

d) In all Bids where the proportionate Allotment is less than [•] Equity Shares per Bidder, the Allotment shall be made as follows:

- The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and

- Each successful Bidder shall be Allotted a minimum of [•] Equity Shares.

e) If the proportionate Allotment to a Bidder is a number that is more than [•] but is not a multiple of one (which is the marketable lot), the decimal would 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 would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.

f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the Allotted 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 will be added to the category comprising Bidders applying for minimum number of Equity Shares.

g) Subject to valid Bids being received, allocation of Equity Shares to Anchor Investors shall be at the sole discretion of the Company, in consultation with the BRLMs.

Letters of Allotment or Refund Orders or instructions to the SCSBs

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 12 (twelve) Working Days from the Bid/Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through NECS only except where applicant is otherwise eligible to get refunds through direct credit, NEFT and RTGS. The Company shall ensure dispatch of refund orders, if any, of value up to ₹ 1,500, by ordinary post, and shall dispatch refund orders equal to or above ₹ 1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within 12 (twelve) Working Days of the Bid/Issue Closing Date. Bidders to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 (twelve) Working Days from the Bid/ Issue Closing Date. In case of ASBA Bidders, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 (twelve) Working Days of the Bid/Issue Closing Date.

In case of ASBA Bidders, the SCSBs will un-block funds in the ASBA Account to the extent of refund to be made based on instructions received from the Registrar.

UNDERTAKINGS BY THE COMPANY AND THE SELLING SHAREHOLDERS

The Company undertakes the following:

- That if our Company 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 file a fresh draft red herring prospectus with SEBI, in the event our Company and the Selling Shareholders subsequently decide to proceed with the Issue;
- That the complaints received in respect of this Issue shall be attended to by the 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 within 12 (twelve) 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 by our Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (fifteen) Working Days from the Bid/ Issue Closing Date, as the case may be, 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 despatched within specified time;
- That we shall not have recourse to the proceed of the Issue until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- That other than the Placement, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and
- That adequate arrangement under the ASBA process, shall be made to collect all Bid cum Application Forms and to consider them similar to non-ASBA applications while finalising the Basis of Allotment.

Each Selling Shareholder undertakes severally and only in relation to itself (and the Equity Shares being sold by it pursuant to the Offer for Sale):

- That the Equity Shares being sold pursuant to the Issue, have been held by them for a period of more than one year;
- The Equity Shares being sold pursuant to the Offer for Sale in the Issue are free and clear of any liens or encumbrances;
- The Selling Shareholders have authorized the Compliance Officer and the Registrar to the Issue to redress complaints, if any, of the investors and the Selling Shareholders shall assist in addressing such complaints or grievances;
- The Selling Shareholders shall provide reasonable support and extend reasonable co-operation as may be required by the Company to assist with completion of Allotment, for sending refunds through electronic transfer of fund, suitable communication to the Bidders within the statutory period. The Selling Shareholders shall reimburse the Company in the manner as agreed with the Company for any expenses incurred on our behalf by the Company with regard to refunds of unsuccessful Bidders or dispatch of Allotment advice by registered post or speed post;
- We authorize the Company to take all steps, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges

where the Equity Shares are proposed to be listed within 12 working days from the date of closure of the Issue; and

- That the Selling Shareholders shall not have recourse to the proceed of the Offer for Sale until approval for final listing and trading of the Equity Shares from all Stock Exchanges where listing is sought has been received.

The Company shall promptly transfer to the Selling Shareholders, the gross proceeds from the Offer for Sale, after deducting any expenses in relation to the Issue (which have been deducted under the express terms of the Issue Agreement). Prior to any such deduction, the Company shall make available for inspection (by the Selling Shareholders) full and complete details of any such expenses.

Utilisation of Issue proceeds

The Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;

- details of all monies utilised out of Fresh 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 the Company indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

RESTRICTIONS 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 RBI.

Our Company will seek clarification from the RBI for investments in the Issue by certain non-resident investors including, FIIs.

Foreign Investment in the Real Estate Sector

Foreign investment in the real estate sector is regulated by the relevant provisions of the, FEMA Regulations**,** and Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.

Investments by NRIs

Consolidated FDI Policy

The law in relation to investment in the real estate sector has further been modified by way of the Consolidated FDI Policy. The Consolidated FDI Policy has also rescinded all press notes which have been issued earlier, in the same field.

Under the Consolidated FDI Policy, FDI up to 100% under the automatic route is allowed in 'townships, housing, built-up infrastructure and construction-development projects (which would include, but not be restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure)', subject to the compliance with the following requirements.

(a) Minimum area to be developed under each project is as under:

  (i) In case of development of serviced housing plots, a minimum land area of 10 hectares;

  (ii) In case of construction-development projects, a minimum built up area of 50,000 square metres;

  (iii) In case of a combination project, anyone of the above two conditions would suffice.

(b) Minimum capitalisation of US$ 10 million for wholly owned subsidiaries and US$ 5 million for joint ventures with Indian partners. The funds are to be brought in within six months of commencement of business of our Company.

(c) Original investment is not to be repatriated before a period of three years from completion of minimum capitalization. The investor is to be permitted to exit earlier with prior approval of the Government through the FIPB.

(d) At least 50% of the project must be developed within a period of five years from the date of obtaining all statutory clearances. The investor would not be permitted to sell undeveloped plots. "Undeveloped plots" will mean where roads, water supply, street lighting, drainage, sewerage and other conveniences as applicable under prescribed regulations have not been made available. The investor is required to provide this infrastructure and obtain the completion certificate from the concerned local body/service agency before being allowed to dispose of serviced housing plots.

(e) The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules, and other regulations of the State Government/Municipal/Local Body concerned.

(f) The investor/investee company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.

(g) The State Government/Municipal Local Body concerned, which approves the building/development plans, would monitor compliance of the above conditions by the developer.

(h) The conditions as at paras (a) to (d) above are not applicable to investment by NRIs or to Hotels & Tourism, Hospitals, Educational Sector, Old Age Homes and Special Economic Zones (SEZ)'s.

(i) 100% FDI is allowed under the automatic route in development of SEZ without the conditionalities at paras (a) to (d) above. This will be subject to the provisions of Special Economic Zones Act 2005 and the SEZ Policy of the Department of Commerce.

(j) Save as stated above, FDI is not allowed in Real Estate Business.

Therefore applicable law only permits investment by an NRI under the automatic route in the 'Housing and Real

Estate' sector up to 100% in relation to townships, housing, built-up infrastructure and construction development projects (which would include, but not be restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure) and additionally permits up to 100% FDI in the 'Housing and Real Estate' subject to compliance with the terms provided Consolidated FDI Policy.

FEMA Regulations

The FEMA Regulations, state that the investment cap in the real estate on the activities in the 'Housing and Real Estate' is permit investment to the extent of 100% only by NRIs in the following specified areas:

I. Development of serviced plots and construction of built up residential premises;

II. Investment in real estate covering construction of residential and commercial premises including business centres and offices;

III. Development of townships;

IV City and regional level urban infrastructure facilities, including both roads and bridges;

V. Investment in manufacture of building materials, which is also open to FDI;

VI. Investment in participatory ventures in (a) to (c) above;

VII. Investment in housing finance institutions, which is also open to FDI as an NBFC.

However, all other forms of FDI are prohibited in relation to Housing and Real Estate Business.

Investments by FIIs

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

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

Clause 5.23 of the Consolidated FDI Policy is not applicable to foreign investment under the portfolio investment scheme by FIIs under Schedule II of the Foreign Exchange Management (Transfer or Issue o Security by a Person Resident outside India) Regulations, 2000, as amended.

Pursuant to the said portfolio investment scheme, FII registered with the SEBI may buy or sell securities of Indian companies on stock exchanges in India through registered stock brokers. FIIs are also permitted to purchase shares and convertible debentures of an Indian company, subject to the specified percentage limits.

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

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

The Articles of Association of our Company comprise of two parts. Part B of these Articles shall cease to have any force and effect from the date of filing the red herring prospectus with the Registrar of Companies in respect of an initial public offering of shares to be listed on a stock exchange in India without any further action by the Company or by the shareholders.

Part A of the Articles of Association

Shares at the Disposal of the Directors

Article 2 provides that "Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in General Meeting."

Consideration for Allotment

Article 3 provides that "The Board of Directors may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares."

Restriction on Allotment

Article 4 provides that

(a) "The Directors shall in making the allotments duly observe the provisions of the Act;

(b) The amount payable on application on each share shall not be less than 5% of the nominal value of the share; and

(c) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company."

Increase of Capital

Article 5 provides that "The Company at its General Meeting may, from time to time, by an Ordinary Resolution increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued on such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a differential rights to dividends, or otherwise at General Meetings of the Company in conformity with Section 87 of the Companies Act, 1956. Whenever the capital of the Company has been increased under the provisions of the Articles, the Directors shall comply with the provisions of Section 97 of the Act."

Reduction of Capital

Article 6 provides that "The Company may, subject to the provisions of Sections 78, 80, 100 to 105 (both inclusive) and other applicable provisions of the Act from time to time, by Special Resolution reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law, and in particular, the capital may be paid off on the footing that it may be called up again or otherwise."

Sub-division and Consolidation and Cancellation of Shares

Article 7 provides that "Subject to the provisions of Section 94 of the Act, the Company in General Meeting, may by an ordinary resolution from time to time:

(a) Sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference of special advantage as regards dividend capital over or otherwise as compared with the other or others

(b) Subject as aforesaid the Company in general meeting may also cancel shares that 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."

New capital part of the existing capital

Article 8 provides that "Except so far as otherwise provided by the conditions of the issue or by these presents any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise."

Power to issue Shares with differential voting rights

Article 9 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."

Power to issue preference shares

Article 10 provides that "Subject to the provisions of Section 80 of the Act, the Company shall have the powers to issue preference shares which are liable to be redeemed and the Board resolution authorizing such issue shall prescribe the manner, terms and conditions of such redemption."

Further Issue of Shares

Article 11 provides that

(1) "Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares then;

    (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date;

    (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of offer within which the offer, if not accepted, will be deemed to have been declined;

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any person and the notice referred to in sub clause (b) hereof shall contain a statement of this right;

(d) After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company

(2) Notwithstanding anything contained in sub-clause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub- clause (1) hereof) in any manner whatsoever.

(a) If a special resolution to that effect is passed by the Company in General Meeting, or

(b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

(3) Nothing in sub-clause (c) of (1) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company:

(a) To convert such debentures or loans into shares in the Company; or

(b) To subscribe for shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans other than debentures issued to or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans."

Right to convert loans into capital

Article 12 provides that "Notwithstanding anything contained in sub-clauses(s) above, but subject, however, to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company."

Allotment on application to be acceptance of shares

Article 13 provides that "Any application signed by or on behalf of an applicant for equity shares in the Company followed by an allotment of any equity shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the register, shall, for the purpose of these articles, be a Member."

Return on allotments to be made or Restrictions on Allotment

Article 14 provides that "The Board shall observe the restrictions as regards allotment of shares to the public contained in Sections 69 and 70 of the Act, and as regards return on allotments, the Directors shall comply with Section 75 of the Act."

Money due on shares to be a debt to the Company

Article 15 provides that "The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register of Members as the name of the holder of such shares become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly."

Members or heirs to pay unpaid amounts

Article 16 provides that "Every Member or his heir's 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 Company's regulations require or fix for the payment thereof."

Commission for placing shares, debentures, etc

Article 22 provides that

(a) Subject to the provisions of the Act, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures, or debenture-stock of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures or debenture-stock of the Company.

(b) The Company may also, in any issue, pay such brokerage as may be lawful.

Company's Lien on Shares /Debentures

Article 23 provides that "The Company shall have a first and paramount lien upon all the shares /debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at fixed time in respect of such shares/debentures, and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from provisions of this clause. The fully paid up shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares."

Enforcing Lien by Sale

Article 24 provides that "For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell have been served on such member or his representative and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for fourteen days after such notice."

Application of sale proceeds

Article 25 provides that "The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a 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."

Board to have right to make calls on shares

Article 26 provides that "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 members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and the member(s) and place(s) appointed by the Board. A call may be made payable by installments.

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 General Meeting."

Notice for call

Article 27 provides that "Fourteen day notice in writing of any call shall be given by the Company specifying the date, time and places of payment and the person or persons to whom such call be paid."

Call when made

Article 28 provides that "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 such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board."

Liability of joint holders for a call

Article 29 provides that "The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof."

Board to extend time to pay call

Article 30 provides that "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 to all or any of the members. The Board may be fairly entitled to grant such extension, but no member shall be entitled to such extension, save as a matter of grace and favour."

Calls to carry Interest

Article 31 provides that "If a member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at 5% per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member."

Dues deemed to be calls

Article 32 provides that "Any sum, which as per the terms of issue of a share becomes payable on allotment or at a fixed date whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same may become payable and in case of non payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Proof of dues in respect of share

Article 33 provides that "On any trial or hearing of any action or suit brought by the Company against any member or his 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 (i) that the name of the members in respect of whose shares the money is sought to be recovered appears entered in the Register of Members as the holder, at or subsequent to the date on which the money sought to be recovered is alleged to have become due on the shares, (ii) that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his representatives pursuance of these Articles, and (iii) it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt."

Partial payment not to preclude forfeiture

Article 34 provides that "Neither a judgment nor a decree in favour of the Company, for call or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall, from time to time be due from any member to the Company in respect of his shares either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided."

Payment in Anticipation of Call May Carry Interest

Article 35 provides that

(a) "The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon, provided that money paid 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.

(b) The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

(c) Where Capital is paid in advance of calls such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

(d) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company."

Notice for non payment of call money

Article 36 provides that "If any member fails to pay any call or installment of a call on before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment."

Notice for forfeiture of shares

Article 37 provides that

(a) "The notice shall name a further day (not earlier than the expiration of fourteen days from the date of notice) and place or places on which such call or installment and such interest thereon (at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid) and expenses as aforesaid, are to be paid.

(b) The notice shall also state that in the event of the non-payment at or before the time the call was made or installment is payable the shares will be liable to be forfeited."

Forfeited share to be the property of the Company

Article 40 provides that "Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allocated 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."

Member to be liable even after forfeiture

Article 41 provides that "Any member whose shares have been forfeited shall, notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with the interest thereon from time to time of the forfeiture until payment at such rates as the Board may determine and the Board may enforce the payment thereof, if it thinks fit."

Claims against the Company to extinguish on forfeiture

Article 42 provides that "The forfeiture of a share involves extinction, at the time of the forfeiture of all interest in and all claims and demands against the Company, in respect of the shares and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved."

Board entitled to cancel forfeiture

Article 46 provides that "The Board may at any time before any share so forfeited shall have them sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit."

Register of Transfers

Article 47 provides that "The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares."

Endorsement of Transfer

Article 48 provides that "In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at their discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee."

Instrument of Transfer

Article 49 provides that "The instrument of transfer of any share shall be in writing and all the provisions of Section 108 of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use a common form of transfer in all cases. 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, 1996 shall apply. A common form of transfer shall be used and the instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof."

Directors may refuse to register transfer

Article 52 provides that "Subject to the provisions of Section 111A of the Act, Section 22A of the Securities Contracts (Regulation) Act, 1956these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Subject to the provisions of Section 111A of the Act and Section 22A of the Securities Contracts (Regulation Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reason, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstance that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company or any account whatsoever except when the company has a lien on the shares However, no transfer of shares/debentures shall be refused on the ground of them not being held in marketable lots."

Transfer of partly paid shares

Article 53 provides that "Where in the case of partly paid shares, an application for registration is to be made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act."

Survivor of joint holders recognized

Article 54 provides that "In case of the death of any one or more persons named in the Register of Members as the joint-holders of any shares, the survivors shall be the only person recognized by the Company as having any title to or interest in such share 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."

Title to shares of deceased members

Article 55 provides that "In the absence of a nomination recorded in accordance with section 109A of the Act, read with section 109B of the Act, which shall in any event, hold precedence, the executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two joint holders) shall be the only person recognized by the Company as having any title to the shares registered in the name of such member, and the Company shall be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives shall have first obtained Probate holders or Letter of Administration or Succession Certificate as the case may be, from a duly constituted Court in the Union of India. Provided that in any case where the Board in its absolute discretion, thinks fit, the Board may dispense with the production of Probate or Letter of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member."

Transfers not permitted

Article 56 provides that "No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind, except fully paid shares through a legal guardian."

Transmission of shares

Article 57 provides that "Subject to the provisions of the Act and these Articles, presents, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any members, 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 as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, either be registering 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, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares."

Rights on Transmission

Article 58 provides that "A person entitled to a share by transmission shall, subject to the Directors' right to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the share."

Instrument of transfer to be stamped

Article 59 provides that "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 and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board."

Share Certificates to be surrendered

Article 60 provides that "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 (save as provided in Section 108) properly stamped and executed instrument of transfer."

No fee on Transfer or Transmission

Article 61 provides that "No fee shall be charged for registration of transfers, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document."

Company not liable to notice of equitable rights

Article 62 provides that "The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the board shall so think fit."

Dematerialisation of Securities

Article 63 provides that

(a) "Definitions: For the purpose of this Article:

"Beneficial Owner" means a person whose name is recorded as such with a depository.

"Bye-Laws" means Bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.

"Depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment for the time being in force.

"Depository" means a Company formed and registered under the Act and which has been granted a Certificate of Registration under the Securities and Exchange Board of India Act 1992.

"Member" means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as beneficial owner in the records of the depository.

"Participant" means a person registered as such under Section 12 (1A) of the Securities and Exchange Board of India Act, 1992.

"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the Regulations issued by the Securities and Exchange Board of India in relation to the Depositories Act, 1996.

"Registered Owner" means a depository whose name is entered as such in the records of the Company.

"SEBI" means the Securities and Exchange Board of India.

"Security" means such security as may be specified by the Securities and Exchange Board of India from time to time.

Words and expressions used in this Article and not defined in the Act but defined in the Depositories Act, 1996 shall have the same meaning respectively assigned to them in the Depositories Act, 1996.

(b) Company to Recognize Interest In Dematerialized Securities Under The Depositories Act, 1996.

Either the Company or the investor may exercise an option to issue, de-link,or 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, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof.

(c) Dematerialisation/Re-Materialisation of Securities:

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, re-materialize its securities held in Depositories and/or offer its fresh securities in the de-materialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.

(d) Option to Receive Security Certificate or Hold Securities With Depository:

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its record the name of the allottees as the beneficial owner of that security.

(e) Securities In Electronic Form:

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

(f) Beneficial Owner Deemed As Absolute Owner:

Except as ordered by the Court of competent jurisdiction or by law required, the Company shall be entitled to treat the person whose name appears on the register of members as the holders of any share or whose name appears as the beneficial owner of the shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami, trust 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.

(g) Rights of Depositories and Beneficial Owners:

Notwithstanding anything to the contrary contained in the Act, or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

Save as otherwise provided above, the Depository is the registered owner of the securities, and shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository

(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, 1996 shall be deemed to be a Register and Index of members for the purposes of these Articles. The Company shall have the power to keep in any state or country outside India a Branch register of Members 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 record of the beneficial ownership may be served by such depository on the Company by means of hard copies or through electronic mode or by delivery of floppies or discs.

(k) Allotment of Securities:

Where the securities are dealt within a Depository, the Company shall intimate the details of allotment of relevant securities to the Depository on allotment of such securities.

(l) Transfer of Securities:

The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly, particulars of every transfer or transmission of any share held in material form. Nothing contained in these Articles shall apply to transfer of securities held in depository.

(m) Distinctive Number of Securities Held in a Depository

The shares in the capital shall be numbered progressively according to their several denominations, provided, however that the provisions relating to progressive numbering shall not apply to the share of the Company which are in dematerialized form. Except in the manner provided under these Articles, no share shall be sub-divided. Every forfeited or surrendered share be held in material form shall continue to bear the number by which the same was originally distinguished.

(n) 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 Depository Act, 1996.

(o) 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 laws and the Company in that behalf.

(p) 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.

(q) 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 of these presents."

Nomination Facility

Article 64 provides that

(a) "Every holder of shares, or holder of debentures of the Company may at any time, nominate, in the prescribed manner a person to whom his shares in or debentures of the Company shall rest in the event of his death.

(b) Where the shares in or debentures of the Company are held by more than one person jointly, the joint holders may together nominate in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company shall rest in the event of death of all the joint holders.

(c) Notwithstanding any thing contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise in respect of such shares in or debentures of the Company where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debentures holder of the Company or as the case may be on the death of the joint holders become entitled to all the rights in the shares or debentures of the Company or as the case may be all the joint holders in relation to such shares in or debenture of the Company to the exclusion of all the other persons, unless the nomination is varied or cancelled in the prescribed manner.

(d) Where the nominee is a minor it shall be lawful for the holder of shares or debentures, to make the nomination and to appoint in the prescribed manner any person to become entitled to shares in or debentures of the Company in the event of his death in the event of minority of the nominee.

Any person who becomes a nominee by virtue of the provisions of Section 109 A upon the production of such evidence as may be required by the Board and subject as hereinafter provided elect either

(i) To be registered himself as holder of the shares or debentures as the case may be, or

(ii) To make such transfer of the share or debenture as the case may be, as the deceased shareholder or debenture holder, as the case may be could have made.

If the person being a nominee, so becoming entitled, elects to be registered himself as a holder of the share or debenture as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with a Death Certificate of the deceased share holder or debenture holder as the case may be.

All the limitations, restrictions and provisions of this Act, relating to the right to transfer and registration of transfer of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer where a transfer is signed by that shareholder or debenture holder, as the case may be.

A person being a nominee, becoming entitled to a share or debenture by reason of the death of the holder shall be entitled to same dividends and other advantages to which he would be entitled if he were the registered holder of the share or debenture, except that he shall not, before being registered a member in respect of his share of debenture, be entitled in respect of it to exercise any right conferred by membership in relation to the meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture and if the notice is not complied with within 90 days, the Board may thereafter withhold payments of all dividends, bonus, or other monies payable in respect of the share or debenture, until the requirements of the notice have been complied with.

A Depository may in terms of Section 58 A at any time, make a nomination and above provisions shall as far as may be, apply to such nomination."

Buy Back of Shares

Article 65 provides that "The Company shall be entitled to purchase its own shares or other securities, subject to such limits, upon such terms and conditions and subject to such approvals as required under Section 77 A and other applicable provisions of the Act, The Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations 1998 and any amendments, modification(s), repromulgation (s) or re- enactment(s) thereof."

Rights to issue share warrants

Article 67 provides that

(a) "The Company may issue Share Warrants subject to, and in accordance with provisions of Section 114 and 115 of the Act.

(b) The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant."

Rights of warrant holders

Article 68 provides that

(a) "The bearer of the Share Warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right to signing a requisition, for calling a meeting of the Company, and of attending, and voting and exercising other privileges of a member at any meeting held after the expiry of two clear days from time of the deposit, as if his name were inserted in the Register or Members as the holder of the shares included in the deposited Share Warrant.

(b) Not more than one person shall be recognized as the depositor of the Share Warrant.

(c) The Company shall, on two days written notice, return the deposited Share Warrant to the depositor."

Article 69 provides that

(a) "Subject as herein otherwise expressly provided, no person shall, as bearer of a Share Warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the shares included in the warrant, and he shall be member of the Company."

Board to make rules

Article 70 provides that "The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction."

Rights to convert shares into stock & vice-versa

Article 71 provides that "The Company in General Meeting may, by an Ordinary Resolution, convert any fully paid-up shares into stock and when any shares shall have been converted into stock the several holders of such stock, may henceforth transfer their respective interest therein, or any part of such interest in the same manner and subject to the same Regulations as, and subject to which shares from which the stock arise might have been transferred, if no such conversion had taken place. The Company may, by an Ordinary Resolution reconvert any stock into fully paid up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal amount of shares from which the stock arose."

Rights of stock holders

Article 72 provides that "The holders of stock shall according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose; but no such privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred those privileges or advantages."

Annual General Meetings

Article 73 provides that "The Company shall, in addition to any other meetings hold a General Meeting which shall be called as its Annual General Meeting, at the intervals and in accordance with the provisions of the Act."

Extraordinary General Meetings

Article 74 provides that "The Board may, whenever it thinks fit, convene an Extraordinary General Meeting at such date, time and at such place as it deems fit, subject to such directions if any, given by the Board."

Extraordinary Meetings on requisition

Article 75 provides that "The Board shall on, the requisition of members convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under Section 169 of the Act."

Notice for General Meetings

Article 76 provides that "All General Meetings shall be convened by giving not less than twenty- one days notice excluding the day on which the notice is served or deemed to be served (i.e. on expiry of 48 hours after the letter containing the same is posted) and the date of the meeting, specifying the place and hour of the meeting and in case of any special business proposed to be transacted, the nature of that business shall be given in the manner mentioned in Section 173 of the Act. Notice shall be given to all the shareholders and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any member shall not invalidate the proceedings of any General Meeting."

Quorum for General Meeting

Article 79 provides that "Five members or such other number of members as the law for the time being in force prescribes personally present, shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting."

Chairman of General Meeting

Article 81 provides that "The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company."

Election of Chairman

Article 82 provides that "If there is no such Chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the members present shall choose another Director as Chairman and if no Director be present or if all the Directors decline to take the chair then the members present shall choose someone of their number to be the Chairman."

Voting at Meeting

Article 84 provides that "At any General Meeting, a resolution put to the vote at the meeting shall be decided on a show of hands, unless a poll (before or on the declaration of the result of the show of hands) is demanded in accordance with the provisions of Section 179 of the Act. Unless a poll is so demanded, a declaration by the Chairman that the resolution had, on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution."

Decision by poll

Article 85 provides that "If a poll is duly demanded, it shall be taken in such manner as the Chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded."

Casting vote of Chairman

Article 86 provides that "In case of equal votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or a casting vote in addition to the vote or votes to which he may be entitled to as a member."

Poll to be immediate

Article 87 provides that

(a) "A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not later than forty eight hours from the time of demand as the Chairman of the meeting directs.

(b) A demand for a poll shall not prevent the continuance of a Meeting of the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at anytime by the person or persons who made the demand."

Passing resolutions by Postal Ballot

Article 88 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 (Passing of the Resolution by Postal Ballot) Rules, 2001 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.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under section 192A of the Act and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, as amended from time."

Voting rights of Members

Article 89 provides that

(a) "On a show of hands every member holding equity shares and present in person shall have one vote.

(b) On a poll, every member holding equity shares therein shall have voting rights in proportion to his shares of the paid up equity share capital.

(c) On a poll, a member having more than one vote, or his proxy or other persons entitled to vote for him need not use all his votes in the same way."

Voting by joint-holders

Article 90 provides that "In the case of joint-holders the vote of the first named of such joint holders who tender a vote whether in person or by proxy shall be accepted to the exclusion of the votes of other joint holders."

No right to vote unless calls are paid

Article 91 provides that "No member shall be entitled to vote at any 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."

Proxy

Article 92 provides that "On a poll, votes may be given either personally or by proxy."

Instrument of proxy

Article 93 provides that "The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a Corporation either under its common seal or under the hand of its attorney duly authorized in writing. Any person whether or not he is a member of the Company may be appointed as a proxy.

The instrument appointing a proxy and Power of Attorney or other authority (if any) under which it is signed must be deposited at the registered office of the Company not less than forty eight hours prior to the time fixed for holding the meeting at which the person named in the instrument proposed to vote, or, in case of a poll, not less than twenty four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid."

Article 94 provides that "The form of proxy shall be two way proxies as given in Schedule IX of the Act enabling the shareholder to vote for/against any resolution."

Validity of proxy

Article 95 provides that "A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the shares in respect of revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used."

Corporate Members

Article 96 provides that "Any corporation which is a member of the Company may, by resolution of its Board of Director or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized 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 member of the Company."

Number of Director

Article 97 provides that "Unless otherwise determined by General Meeting, and subject to the provisions of section 252 of the Act, the number of Directors shall not be less than three and not more than twelve, including all types of Directors.

The First Directors of the Company shall not be liable to retire by rotation and shall be regarded as permanent directors, subject to the applicable provisions under the Act. The Directors, as otherwise appointed by the Company, in general meeting, shall be liable to retire by rotation, unless the terms of appointment state so.

Not less than 2/3rd of the total number of directors of the Company may be appointed according to the principle of proportional representation whether by a single transferable vote or by a system of cumulative voting or otherwise in accordance with section 265 of the Act."

Share qualification not necessary

Article 98 provide that "Any person whether a member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director."

Director's power to fill-up casual vacancy

Article 99 provide that "Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office up to the date, up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid."

Additional Directors

Article 100 provide that "The Board of Directors shall have power at any time and from time to time to appoint one or more persons as Additional Directors provided that the number of Directors and Additional Directors together shall not exceed the maximum number fixed. An additional Director so appointed shall hold office up to the date of the next Annual general Meeting of the Company and shall be eligible for re-election by the Company at that Meeting."

Alternate Directors

Article 101 provide that “The Board of Directors may appoint an Alternate Director to act for a Director (hereinafter called “original Director”) during the absence of the original Director for a period of not less than 3 months from the state in which the meetings of the Board are ordinarily held. An Alternate Director so appointed shall vacate office if and when the original Director returns to the state in which the meetings of the Board are ordinarily held. If the term of the office of the original Director is determined before he so returns to the state aforesaid any provision for the automatic reappointment of retiring Director in default of another appointment shall apply to the original and not to the Alternate Director.”

Remuneration of Directors

Article 103 provide that “Every Director other than the Managing Director and the Whole-time Director shall be paid a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any Committee thereof attended by him and shall be paid in addition thereto all traveling, hotel and other expenses properly incurred by him in attending and returning from the meetings of the Board of Directors or any committee thereof or General Meeting of the Company or in connection with business of the Company to and from any place. The remuneration of Directors including Managing Director and/or Whole-time Director may be paid in accordance with Section 309 of the Act.

Remuneration for extra services

Article 104 provide that “If any Director, being willing, is called upon to perform extra services or to make any special exertions in going or residing away from the town in which the Registered Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.”

Continuing Director may act

Article 105 provide that “The continuing Directors may act notwithstanding any vacancy in the Board but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a general meeting of the Company but for no other purpose.”

Equal power to Director

Article 106 provide that “Except as otherwise provided in these Articles all the Directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the Company.”

One-third of Directors to retire every year

Article 107 provide that “At the Annual General Meeting of the Company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the Managing Director or Whole time Director(s), appointed or the Directors appointed as a Debenture Director and Special Director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.”

Retiring Directors eligible for re-election

Article 108 provide that “A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.”

Meetings of the Board

Article 117 provide that

(a) “The Board of Directors shall meet at least once in every three months for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with section 288 of the Act, provided that at least four such meetings shall be held in every year.

(b) The Managing Director may, at any time summon a meeting of the Board and the Managing Director or a Secretary or a person authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director.”

Quorum

Article 118 provide that

(a) “The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

(b) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any Committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Provided that, every Director must attend in person, at least one meeting of the Board or a Committee thereof, in a financial year. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.”

Questions how decided

Article 119 provide that

(a) “Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

(b) In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.”

Resolution by Circulation

Article 125 provides that “Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the Committee, as the case may be and to all other Directors or members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.”

Borrowing Powers

Article 127 provide that

(a) “The Board of Directors may from time to time but with such consent of the Company in General Meeting as may be required under the Act raise any moneys or sums of money for the purpose of the Company provided that the moneys to be borrowed by the Company apart from temporary loans obtained from the

Company's bankers in the ordinary course of business shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose and in particular, but subject to the provisions of Sections 58A, 292, 293 and 372A of the Act, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, by the issue of debentures, perpetual or otherwise, including debentures convertible into shares of this or any other Company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated shall specify the total amount up to which moneys may be borrowed by the Board Directors.

(b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or the Managing Director, if any, within the limits prescribed.

(c) Subject to provisions of the above sub-clause, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purposes of the Company, at such time and in such manner and upon such terms and conditions in all respects as they think fit and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, perpetual or redeemable debentures (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company, or by such other means as they may seem expedient.

(d) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company."

Assignment of debentures

Article 128 provides that "Such debentures, debenture-stock, bonds or other securities may be assignable free from any equities between the Company and the person to whom the same may be issued."

Term of Issue of Debentures

Article 129 provides that "Any debentures, debenture stock, or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with a right of conversion into or allotment of shares shall be issued only with the consent of the Company in a General Meeting by a Special Resolution."

Debenture Directors

Article 130 provides that "Any Trust Deed for securing debentures or debenture stock may if so arranged provide for the appointment from time to time by the trustee thereof or by the holders of debentures or debenture stock of some person to be a Director of the Company and may empower such trustee or holders of debentures or debenture stock from time to time to remove any Directors so appointed. A Director appointed under this Article is herein referred to as a "Debenture Director" and the Debenture Director means a Director for the time being in office under this Article. A Debenture Director shall not be bound to hold any qualification shares, not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provision shall have effect notwithstanding any of the other provisions herein contained."

Nominee Directors

Article 131 provides that

(a) “So long as any moneys remain owing by the Company to any All India Financial Institutions, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non Banking Financial Company controlled by the Reserve Bank of India or any such Company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the Debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such corporation so provides, the corporation shall have a right to appoint from time to time any person or persons as a Director or Directors whole- time or non whole- time (which Director or Director/s is/are hereinafter referred to as “Nominee Directors/s) on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

(b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject to the aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as they hold or continue to hold Debentures/shares in the Company as result of underwriting or by direct subscription or private placement or until the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall vacate such office immediately upon the money owed by the Company to the Corporation being paid off or ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished.”

(c) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which Nominee Director/s is/are member/s and also receive the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

(d) The Company shall pay the Nominee Director/s’ sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Corporation.

(e) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

Register of Charges

Article 132 provides that “The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.”

Subsequent assigns of uncalled capital

Article 133 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 134 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.”

Powers to be exercised by Board only by Meeting:

(a) “The Board of Directors shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolution passed at the meeting of the Board:

  (i) Power to make calls on shareholders in respect of moneys unpaid on their shares;

  (ii) Power to issue debentures;

  (iii) Power to borrow money otherwise than on debentures:

  (iv) Power to invest the funds of the Company;

  (v) Power to make loans.

(b) The Board of Directors may by a meeting delegate to any committee or the Directors or to the Managing Director the powers specified in sub clauses (iii), (iv) and (v) above.

(c) Every resolution delegating the power set out in sub clause (iii) above shall specify the total amount up to which moneys may be borrowed by the said delegate.

(d) Every resolution delegating the power referred to in sub-clause (iv) above shall specify the total amount up to which the fund may be invested and the nature of the investments which may be made by the delegate.

(e) Every resolution delegating the power referred to in sub-clause (v) above shall specify the total amount up to which the loans may be made by the delegate, the purposes for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.”

Managing Director(s) And/ Or Whole-Time Director(s)

Article 136 provides that

(a) “The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the Managing Director and/ or whole-time Directors.

(b) The Directors may from time to time resolve that there shall be either one or more Managing Directors and/ or Whole time Directors.

(c) In the event of any vacancy arising in the office of a Managing Director and/or Whole-time Director, the vacancy shall be filled by the Board of Directors subject to the approval of the members.

(d) If a Managing Director and/or whole time Director ceases to hold office as Director, he shall ipso facto and immediately cease to be Managing Director/whole time Director.

(e) The Managing Director and/or whole time Director shall not be liable to retirement by rotation as long as he holds office as Managing Director or whole-time Director.”

Powers and duties of Managing Director or whole-time Director

Article 137 provides that “The Managing Director/Whole-time Director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction."

Remuneration of Managing Directors/whole time Directors

Article 138 provides that "Subject to the provisions of the Act and subject to such sanction of Central Government/Financial Institutions as may be required for the purpose, the Managing Directors\whole-time Directors shall receive such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in another) as the Company in General Meeting may from time to time determine."

The seal its custody and use

Article 141 provides that

(a) "The Board shall provide for the safe custody of the Common Seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof; and the Common Seal shall be kept at the Registered Office of the Company and committed to the custody of the Managing Director or the Secretary if there is one.

Seal abroad

(b) The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act for use in any territory, district or place outside India and such powers shall accordingly be vested in the Directors."

Right to dividend

Article 144 provides that

(a) "The profits of the Company, subject to any special rights, relating thereto created or authorized to be created by these presents and subject to the provisions of the presents as to the Reserve Fund, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid.

(b) Where capital is paid in advance of calls, such capital shall not confer a right to participate in the profits."

Declaration of Dividends

Article 145 provides that "The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board."

Capitalisation of Profits

Article 156 provides that

(a) "The Company in General Meeting, may, on recommendation of the Board resolve:

  (i) That it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and

  (ii) That such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(b) 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 shares held by such members respectively

(ii) Paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) Partly in the way specified in sub-clause (i) and partly that specified in sub clause (ii).

(c) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

(d) A share premium account and a capital redemption reserve account may, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares."

Power of Directors for Declaration of Bonus Issue

Article 157 provides that

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and

(ii) generally do all acts and things required to give effect thereto.

(b) 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 members entitled thereto, to enter into an agreement with the Company providing for the allotment to such members, 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 the capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(c) Any agreement made under such authority shall be effective and binding on all such members/"

Winding Up

Application of Assets

Article 175 provides that "Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities pari passu and, subject to such application shall be distributed among the members according to their rights and interests in the Company."

Division of Assets of the Company in Specie among Members

Article 176 provides that "If the Company shall be wound up whether voluntarily or otherwise, the liquidators may. with sanction of a special resolution. divide among the contributories in specie or kind any part of the assets of the Company and any with like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories of any of them, as the liquidators with the like sanction shall think fit, in case any share to be divided as aforesaid involve as liability to calls or otherwise any persons entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing, direct the liquidators to sell his proportion and pay them the net proceeds, and the liquidators shall, if practicable, act accordingly."

Director's and Others' Right to Indemnity

Article 177 provides that

(a) "Subject to the provisions of the Act, the Managing Director and every Director, Manager, Secretary and other Officer or Employee of the Company shall be indemnified by the Company against any liability and it shall be the duty of Directors, out of the funds of the Company to pay, all costs and losses and expenses (including traveling expenses) which any such Director, Officer or Employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Managing Director, Director, Officer or Employee or in any way in the discharge of his duties.

(b) Subject as aforesaid the Managing Director and every Director, Manager, Secretary or other Officer or Employee of the Company shall be indemnified against any liability incurred by them or in defending any proceeding whether civil or criminal in which judgment is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court."

Not responsible for Acts of Others

Article 178 provides that

(a) Subject to the provisions of Section 201 of the Act no Director or other Officer of the Company shall be liable for the acts, receipt, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person, Company or Corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or over sight in his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own willful act or default.

(b) Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with Registrar of Companies in respect of any act done or required to be done by any Director or other Officer by reason of his holding the said office, shall be paid and borne by the Company."

Secrecy

Article 179 provides that "No member shall be entitled to inspect the Company's works without the permission of the Managing Director or to require discovery of any information respectively any detail of the 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 it will be inexpedient in the interest of the members of the Company to communicate to the public."

Duties of Officers to Observe Secrecy

Article 180 provides that "Every Director, Managing Directors, Manager, Secretary, Auditor, Trustee, Members of 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 any 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."

Part B of the Articles of Association

Part B of the Articles provide for all the rights and obligations of the parties to the Investment agreement dated November 10, 2007 entered into between our Company, our Promoters Bollineni Krishnaiah and Bollineni Seenaiah, Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited and Amansa Investments Limited (formerly known as Amansa Fund LP, New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat from our Company and our Promoters to Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited and Amansa Investments Limited (formerly known as Amansa Fund LP, New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat.

In the event of any inconsistency between Part A and Part B of the Articles, the provisions of Part B shall prevail over Part A. However, Part B of the Articles shall become inapplicable from the date of filing of the Red Herring Prospectus with the RoC without any further action by the Company or by the Shareholders of our Company. In the event our Company is unable to file the Prospectus with the RoC in relation to the Issue of Equity Shares by our Company, the provisions of Part B of the Articles shall be the Articles of Association of our Company and Part A shall become inapplicable.

Interpretation

The interpretation section *inter alia* provides that, "The marginal notes hereto shall not effect the construction hereof. In these presents, the following words and expressions shall have the following meanings, unless excluded by the subject or context;

Amansa	"Amansa" shall mean AMANSA FUND LP ("Amansa"), a limited partnership incorporated and existing under the laws of Cayman Islands and having its registered office Walker House, Grand Cayman, Cayman Islands.
Approved Business Plan	"Approved Business Plan" shall mean the annual operating budget and business plan approved by the Board of Company in accordance with section 11.3 of the Investment Agreement and Article 176B of the Articles.
IDFC	"IDFC" shall mean INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED, a company incorporated and existing under the Companies Act, 1956 and having its registered office at ITC Centre, 2nd Floor, 760 Anna Salai, Chennai 600 002.
Investor or Investors	"Investor" or "Investors" shall mean New Vernon, Tiger Veda, Tattersals, IDFC, L&T INFRA, Amansa, L&T CAPITAL and LB Mauritius are individually referred to as "Investor" and collectively referred to as the "Investors".
Investment Agreement	"Investment Agreement" means the Investment Agreement dated 10 November, 2007 (along with its Schedules) between the Company, Promoters, New Vernon, Tiger Veda Tattersalls, IDFC, L&T INFRA, L&T CAPITAL, Amansa and LB Mauritius.
Investor Shares	"Investor Shares" shall mean and include the shares held in the Company by New Vernon, Tiger Veda, Tattersalls and the New Investors.
Initial Public Offering	"Initial Public Offering" or "IPO" shall mean a public offering of equity shares of Company, which results in all of the equity shares of Company being listed for trading on the National Stock Exchange and the Bombay Stock Exchange Limited and shall fulfil the following conditions. (a) Such offering must result in all of the equity shares of Company being listed for trading on the National Stock Exchange and the Bombay Stock Exchange Limited; and (b) The issue price under such offering must not be less than the acquisition cost of New Investors under the Investment Agreement, unless otherwise agreed to by the Investors in writing.

LB Mauritius	"LB Mauritius" shall mean LB INDIA HOLDINGS MAURITIUS II LIMITED, a company incorporated and existing under the laws of Mauritius and having its registered office at IFS Court, TwentyEight, Cybercity, Ebene Mauritius.
L&T CAPITAL	"L&T CAPITAL" shall mean L&T CAPITAL COMPANY LIMITED ("L&T CAPITAL") a company incorporated and existing under the Companies Act, 1956 and having its registered office at L&T House, Ballard Estate, Mumbai 400 001 and corporate office at 52, Maker Towers 'F', 5 th Floor, Cuffe Parade, Mumbai 400 005.
L&T INFRA	"L&T INFRA" shall mean, L&T INFRASTRUCTURE FINANCE COMPANY LIMITED, a company incorporated and existing under the Companies Act, 1956 and having its registered office at Mount Poonamallee Road, Manapakkam, Chennai – 600 089.
New Vernon	"New Vernon" shall mean New Vernon Private Equity Limited, a company incorporated and existing under the laws of Mauritius and having its principal office at 10, Frere Felix, De Valois Street, Port Louis, Mauritius.
New Investors	"New Investors" shall mean and included IDFC, L&T INFRA, L&T CAPITAL, LB Mauritius and Amansa.
Parties	"Parties" shall mean Company, Investors and Promoters collectively, and "Party" shall mean any one of them individually.
Tattersalls	"Tattersalls" shall mean Tattersalls Limited, a company incorporated and existing under the laws of Mauritius and having its registered office at C/o Citco (Mauritius) Limited, 5th Floor, One Cathedral Square, Jules Koenig Street, Port Louis, Mauritius.
Tiger Veda	"Tiger Veda" shall mean Tiger Veda Bharat, a company incorporated and existing under the laws of Mauritius and having its registered office at C/o Citco (Mauritius) Limited, 5th Floor, One Cathedral Square, Jules Koeing Street, Port Louis, Mauritius.

Restriction on Transfer on Promoter Group

Article 32 provides that

"The Promoter Group shall not be permitted to do any of the following during the continuance of the Investment Agreement except: (a) if required under the Investment Agreement, or (b) with the prior written consent of Investors, which shall not be unreasonably withheld by the Investors:

(a) Transfer or exchange any Shares of Company at a price lower than the cost of acquisition of shares by the Investors under the Investment Agreement;

(b) Transfer or exchange any Shares other than in compliance with the section 10 of the Investment Agreement; or

(c) Create a lien on any Shares otherwise than in the Ordinary Course of Business of Company."

Restriction on Transfer on Investors

Article 33 provides that

"The Investors shall not be permitted to do any of the following:

(a) Transfer any Investor Shares of the Company to a Direct Competitor of the Company before or after the Initial Public Offer provided however that, after the Initial Public Offer, the Investors may sell the Investor Shares to any purchaser through the random order matching system of the stock exchanges on which the shares of the Company are listed;

(b) After the Initial Public Offer, the Investors shall not: (i) transfer any Investor Shares of the Company otherwise than through the random order matching system of the stock exchanges on which the shares are listed; and (ii) shall not transfer 5% or more of the issued and paid-up share capital of the Company by way of a block deal to any individual shareholder.

Provided however that (i) and (ii) shall not be applicable to any transfer of the Investor Shares to FIIs, Mutual Fund, Private Equity Fund or a Venture Capital Fund as defined under the rules and regulations of Securities and Exchange Board of India."

Transfer of Shares by Promoters

Article 35 provides that

(a) "On Promoter Group proposing to transfer any or all of their Shares of Company (the "Offered Shares"), Promoter Group shall make bonafide offer of such Shares to Investors to purchase the Offered Shares at a price and terms offered by a proposed purchaser ("Offer Price").

(b) Option of Investors. Within Fifteen (15) days after receipt of the Offer from Promoters, Investors shall have the option, exercisable in its sole discretion to:

  i. Refuse to purchase the Offered Shares within a period of Seven 7 days in which case the Promoters shall sell or transfer at his discretion the Offered Shares to the proposed Purchaser; or

  ii. Purchase all of the Offered Shares at the Offer Price within a period of Seven 7 days of exercising such option; or

  iii. Sell a proportionate amount of its shares of Company to the proposed Purchaser at the Offer Price on the same terms offered to the Promoters; or

Do none of the above in which case the Promoter shall sell or transfer at his discretion the Offered Shares to the proposed Purchaser."

Transfer of Shares by Investors

Article 36 provides that

"Investor(s) shall have the right to sell all or any of the Investor Shares of Company as and when it desires subject to compliance with the provisions of this Article.

iii. Other than in connection with an Initial Public Offering, Investor(s) shall not be entitled to sell or transfer all or any of the Investor Shares for a period nine (9) months from the date of acquisition. If Investors directly or indirectly, enters into an agreement (whether oral or written) to sell or otherwise transfer all or any Investor Shares acquired pursuant to the Investment Agreement to any third party (other than to Qualified Institutional Buyer(s) as defined by SEBI) (the "Transferee"), Promoters shall have a right of first refusal to buy the shares on terms and conditions as offered to such Transferee, whereupon the following procedure shall apply:

iv. The selling Investor shall deliver a written notice (the "Transfer Notice") to Promoters at least Seven (7) days prior to the planned date of such transfer (the "Transfer Date"). The Transfer Notice shall contain (1) the identity of the Transferee and (2) the price per Share, and

v. Promoters shall notify the Investor in writing (the "Purchase Notice") no later than the Transfer Date of his intent to purchase all shares on offer. If no such Purchase Notice shall have been received by Investor, Promoters shall be deemed to have refused to exercise his right of first refusal, in which event Investor may execute the transfer in favor of the Transferee."

Lock-in

Article 39 provides that

(a) "For the purpose of a Initial Public Offering, Promoters will offer their shares for restriction on transfer and lock-in as applicable to Promoters shares under the guidelines of SEBI or any other statutory or regulatory authority from time to time, whether in India and/or outside India and shall ensure that the Investor Shares shall not be subject to any such restriction.

(b) The Investors shall not be deemed and/or construed and/or referred to in any context and/or mentioned in any context to be a "promoters" of Company in connection with any Initial Public Offering, and accordingly, various requirements and regulations applicable to "promoters" (including requirements in connection with "lock-in" period applicable to the shares) prescribed by Applicable Laws and guidelines in connection with public offerings shall apply only to Promoters and not to Investors."

Additional shares by Preferential Allotment

Article 70 provides that "If the Company decides to issue by way of preferential allotment, additional shares or Securities convertible into equity shares to any third party investor, the each of the Investors, severally, will have the first right to subscribe to such number of additional shares or Securities convertible into shares, at the same valuation as being offered to other investors such that the each Investor's percentile shareholding in the Company remains the same as it was prior to such issue of additional shares. It is hereby clarified that this right shall be exercised by the Investors severally and within fifteen (15) days of the notice received from the Company for issue of such additional shares."

Right of notice for calling General Meeting

Article 80 provides that "A general meeting of the Company may be called by giving not less than 21 days of notice in writing to all shareholders whose names appear on the register of members of Company provided that a general meeting may be called after giving shorter notice if consent thereto is accorded, in the case of the Annual general meeting by all the members entitled to vote thereat and in the case of any other meeting, by members of the Company holding not less than 95% of that part of the paid-up share capital which gives the right to vote on the members to be considered at the meeting provided that where any members of the Company are entitled to vote only on some resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter. In case of Investors a copy of the notice should also be sent to an address in India designated by Investors. Further, a meeting of the shareholders may be called by giving shorter notice with the prior written consent of the Investors."

Quorum of a General Meeting

Article 84 provides that "The quorum for a general meeting shall be constituted in accordance with the provisions of the Companies Act, provided that all Specified Matters listed in Schedule "J" of the Investment Agreement and Article 84 shall only be taken up at a general meeting at which one jointly authorized representative of New Vernon, Tiger Veda and Tattersalls, and one jointly authorized representative of the New Investors, is present."

Reserved Rights of the Investors in terms of the Specified Matters

Article 105 provides that

"Notwithstanding anything contained in these Articles, from the date of execution until the subsistence of the Investment Agreement:

(a) Each of the Specified Matters as contained in Schedule "J" of the Investment Agreement and as contained in Article 84 shall be decided by Company only through a resolution of its Board or shareholders, as the case may be.

(b) No resolution or decision shall be passed or taken by the Board or the shareholders of Company with respect to any of the Specified Matters unless:

i. Such resolution or decision is approved by a majority of the Board of Company, which majority includes the affirmative vote of the Investor Directors and New Investment Directors,

ii. Such resolution is approved in writing by the Investor Directors and New Investment Directors, or

The Investors acting through their respective Investor Director and New investment Directors, by themselves or through their proxy, vote in favor of such resolution at a general meeting of Company."

Specified Matters

Article 106 provides that

"The following matters will be Specified Matters for the Company:

(a) Modifications to capital structure including issue of Securities, creation of options or warrants, creating new classes of shares, Securities, buy backs, redemptions, repurchases, subdivision, reductions or cancellations, splits, issuance of convertible debt, bonuses, lien or encumbrances or debt restructuring involving conversion into equity;

(b) Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of Shareholders of Company;

(c) Any amendment of the Company's Articles of Association or Memorandum of Association;

(d) For including any business other than Core Business in the Annual Operating Budget;

(e) Any merger, consolidation, acquisition, strategic sale, joint venture (other than current and proposed joint ventures indicated at Schedule "K") creation of new subsidiary or similar transaction of the Company including sale of substantial assets/closure of business which would result in a negative impact on the business plan and the financial interests of the New Investors;

(f) Voluntary liquidation or dissolution of the Company or any bankruptcy action in relation to the Company;

(g) Material deviations from the annual business plan as approved by the Board of Directors of the Company, including:

- Incurring of any unplanned debt or security which shall result in the total debt equity ratio of the Company exceeding 2.5:1

- Revisions in annual operating plans by more than 20% of the approved business plans;

(h) Transactions with the Promoters and any Related Party, whether with or without cash, for an amount exceeding Rupees Rs. 5 Crores per annum on cumulative basis;

(i) Transactions with Promoters or Promoters' companies whether cash or barter variety for an amount exceeding INR 5 Crores per annum on cumulative basis. However, notwithstanding anything contained herein, it is agreed by and between the Parties, that the transaction with Promoters and Promoters' companies can be initiated by the Company provided they are on a arms length basis and do not exceed Rs. 5 Crores per annum;

(j) Any changes to the accounting year, accounting policies or auditors of the Company;

(k) All decisions with respect to listing of the Company whether led by the Company or the New Investors after a period of 48 months from Closing;

(l) Any investments by way of deposits, loans or subscription to shares and debentures or any investment in Securities for treasury operation other than (i) bank deposits and government bonds; or (ii) schemes of mutual funds (other than equity funds which would result in a negative impact on the business plan and the financial interests of the New Investors);

(m) Acceptance of contracts which may involve contrary/debatable ethical issues including pollution and movement of regulated cargo;

(n) Any decision in relation to transfer, modification or assignment of any contracts entered into by the Company with any third party the resultant values of which is over Rupees Twenty Million (Rs. 20 million)"

Exercise of Voting & Other Rights at General Meetings

Article 107 provides that

(a) "The Promoters and the Investors undertake to ensure that they, their representatives and proxies representing them at the general meetings of the shareholders of Company shall at all times exercise their votes and through their respective appointed/nominated directors (or alternate directors) at Board meetings and otherwise, act in such manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of the Investment Agreement.

(b) If a resolution contrary to the terms of the Investment Agreement is passed at any meeting of shareholders or at any meeting of the Board or any committee thereof, such resolution shall be null and void."

Composition of Board of Directors

Article 109 provides that

"At all times during the subsistence of the Investment Agreement, New Vernon, Tiger Veda and Tattersalls shall have a right to jointly nominate one (1) director on the Board of Company ("Old Investor Director") and IDFC, L&T INFRA, L&T CAPITAL, LB Mauritius and Amansa ("New Investors") shall have the right to jointly nominate one (1) director ("New Investor Director") on the Board of Company (collectively the "Investor Directors" and individually referred as "Investor Director"). Notwithstanding anything contrary set out in the Investment Agreement, the right to nominate a director shall be lost if:

in respect of New Vernon, Tiger Veda and Tattersalls, if at any time the joint shareholding of New Vernon and Tattersalls falls below 10% of the issued and paid-up share capital of the Company; or

in respect of the New Investors, if at any time the joint shareholding of the New Investors falls below 5% of the issued and paid-up share capital of the Company; or

in respect of either New Vernon, Tiger Veda and Tattersalls, if any of New Vernon, Tiger Veda or Tattersalls respectively, proposes to invest in any entity which is a Direct Competitor with the business of the Company and if such investor wishes to appoint its representative director on the board of such Direct Competitor, in that event, such Investor's nominee shall not be an Investor Director and the other Investor who does not have such conflict of interest may appoint one of their nominees as an Investor Director; or

in respect of the New Investors, if any one or more of the New Investors proposes to invest in any entity which is a Direct Competitor with the business of the Company and if such New Investor(s) wishes to appoint its representative director on the board of such Direct Competitor, in that event, such New Investor's nominee shall not be a New Investor Director and those New Investors who do not have such conflict of interest shall appoint one of their nominees as a New Investor Director.

The provisions of this Article 109 shall survive the termination of the Investment Agreement under section 16 of the Investment Agreement against any one specific Investor or a set of Investors. It is being clarified that for the purposes of this Article 109, the New Investors shall be taken as one set of the Investors and New Vernon, Tiger Veda and Tattersalls shall be taken as another set of Investors."

Investor Directors

Article 110 provides that

(a) “Investor Directors shall have all powers and privileges, in line with other non-executive directors on the Board.

(b) If at any time the Companies Act, 1956 or any other Applicable Law should require an increase or decrease in the number of directors constituting the Board, such increase or decrease shall be affected in a way that ensures that Investor Directors continue to be on the Board in accordance with the provisions of Article 109. However, the maximum Board strength shall be twelve (12) directors with half of the Board consisting of independent directors appointed in consultation with the Investors.

Subject to Applicable Law, all the directors of Company (save and except the Managing Director, the Investor Directors, the Executive Directors) shall be liable to retire by rotation in accordance with the Articles of Association of Company.”

Retirement of Directors

Article 122 provides that

(a) “Subject to Applicable Law, all the directors of Company (save and except the Managing Director, the Investor Director, the Executive Directors) shall be liable to retire by rotation in accordance with these Articles.

(b) Not less than one-third of the total number of the Directors of the Company for the time being holding office shall be Directors whose period of office is liable to be determined by retirement by rotation and who shall be appointed by the Company in general meeting.

(c) At the first Annual General Meeting of the Company the whole of the Board of Directors except Directors indicated at Clause (a) above, shall retire from office and at the Annual General Meeting in every subsequent year, one-third of such of the Directors as are liable to retire by rotation for the time being or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.”

Liability of Investor Directors

Article 129 provides that

(a) “The Investor Directors will be non-executive Directors of the Company.

(b) The Investor Directors shall not be in charge of, or responsible for the day to day management of Company and shall not be deemed to be “officers in default” as the term is defined in the Companies Act, 1956 and shall accordingly not be liable for any default or failure of Company in complying with the provisions of any Applicable Laws.

(c) Investor Directors shall not be identified as officers in default of Company or occupier of any premises used by Company or an employer of the employees of Company.”

Notice of Board meeting

Article 131 provides that “At least ten (10) days prior written notice shall be given to each of the Directors of any meeting of the Board or a committee. Every notice to Investor Directors shall also be sent to one of its designated addresses in India. A meeting of the Board or a committee may be held at shorter notice with the written consent (which may be signified by letter, facsimile or e-mail with receipt acknowledged) of a majority of directors including Investor Directors.”

Quorum of a Board Meeting

Article 132 provides that "Quorum of the Board shall be one-third of its total strength which shall include Investor Directors and Chairman or Managing Director (at the commencement and throughout the duration of the meeting). Provided however, that in the absence of a quorum, the meeting shall stand adjourned to the same day in the next week at the same place and at the same time, and the quorum in such adjourned meeting shall be any three (3) Directors. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting, therefrom the number of Directors, if any, whose places are vacant at the time. Investor Directors shall have the right to attend all review meetings and/or major strategy meetings of the Board or any committee of directors of Company."

Consent Rights

Article 134 provides that

"During the subsistence of the Investment Agreement:

(a) Each of the following matters ("Specified Matters") shall be decided by Company only through a resolution of its Board or shareholders, as the case may be.

  (i) Modifications to capital structure including issue of Securities, creation of options or warrants, creating new classes of shares, Securities, buy backs, redemptions, repurchases, subdivision, reductions or cancellations, splits, issuance of convertible debt, bonuses, lien or encumbrances or debt restructuring involving conversion into equity;

  (ii) Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of Shareholders of Company;

  (iii) Any amendment of the Company's Articles of Association or Memorandum of Association;

  (iv) For including any business other than Core Business in the Business Plan for FY 07;

  (v) Any national or international contracts which are non-NHAI and not funded by multilateral bodies except for irrigation projects presented in the business plan. This does not apply to projects to be executed by the Company each valued at INR 100 million and below;

  (vi) Any merger, consolidation, acquisition, strategic sale, joint venture (other than current and proposed joint ventures indicated at Schedule "K") creation of new subsidiary or similar transaction of the Company including sale of substantial assets/closure of business which would result in a negative impact on the business plan and the financial interests of the Investors;

  (vii) The Company shall not: (a) exceed its aggregate equity contribution towards BOT Projects above INR Two Hundred Crores (INR 200 Crores), and/or (b) issue corporate guarantee or provide debt which in aggregate exceed INR Five Hundred Crores (INR 500 Crores);

  (viii) Voluntary liquidation or dissolution of the Company or any bankruptcy action in relation to the Company;

  (ix) Material deviations from the annual business plan as approved by the Board of Directors of the Company, including:

    i) Incurring of any unplanned debt or security which shall result in the total debt equity ratio of the Company exceeding 2.5:1

    ii) Revisions in annual operating plans by more than 20% of the approved business plans;

  (x) Transactions with the Promoters and any Related Party, whether with or without cash, for an amount exceeding Rupees Rs. 5 Crores per annum on cumulative basis;

(xi) Transactions with Promoters or Promoters' companies whether cash or barter variety for an amount exceeding INR 5 Crores per annum on cumulative basis. However, notwithstanding anything contained herein, it is agreed by and between the Parties, that the transaction with Promoters and Promoters' companies can be initiated by the Company provided they are on a arms length basis and do not exceed Rs. 5 Crores per annum;

(xii) Any changes to the accounting year, accounting policies or auditors of the Company;

(xiii) All decisions with respect to listing of the Company whether led by the Company or the Investors after a period of 48 months from Closing;

(xiv) Any investments by way of deposits, loans or subscription to shares and debentures or any investment in Securities for treasury operation other than (i) bank deposits and government bonds; or (ii) schemes of mutual funds (other than equity funds which would result in a negative impact on the business plan and the financial interests of the Investors);

(xv) Acceptance of contracts which may involve contrary/debatable ethical issues including pollution and movement of regulated cargo;

(xvi) Any decision in relation to transfer, modification or assignment of any contracts entered into by the Company with any third party the resultant values of which is over Rupees Twenty Million (Rs. 20 million);

(xvii) Appoint or dismiss any Board member appointed by the Investors.

(b) No resolution or decision shall be passed or taken by the Board or the shareholders of Company with respect to any of the Specified Matters unless:

(i) Such resolution or decision is approved by a majority of the Board of Company, which majority includes the affirmative vote of the Investor Directors,

(ii) Such resolution is approved in writing by Investor Directors, or

(iii) Investors acting through the Investor Director, by himself or through his proxy, votes in favor of such resolution at a general meeting of Company."

Information of the Company

Article 199 provides that

"Company shall furnish and Promoters shall ensure that Company furnishes to Investors and/or its assignees/nominees the following information as regards Company:

(a) Quarterly, semi-annual and unaudited annual financial statements shall be furnished to Investors within sixty (60) days of the end of each quarter, half-year and annual period.

(b) Audited annual financial statements shall be furnished to Investors within one hundred and twenty (120) days of the end of each financial year of Company. The financial statements should be accompanied by a report from the CEO/MD of Company and the discussion of key issues and variances beyond 10% of the budget with a comparative statement of the previous period.

(c) MIS information/reports (in standard/agreed format) within thirty (30) days of the end of each month shall be sent to Investors.

(d) Investor Director shall have the right to attend monthly review meetings and/or major strategy meetings of the Board/Committee of Directors of Company."

Conformity with the Annual Operating and Business Plan

Article 200 provides that

(a) "Preparation of annual operating budget & business plan. Company, Promoters and Investors acknowledge that the business of Company will be conducted in accordance with an annual operating budget and business plan. Each annual operating budget and business plan shall be prepared under the direction and supervision of the Chairman of Company. The initial annual operating budget and business plan of Company shall be prepared and finalized by Company with Promoters and Investors within thirty (30) days after the date of execution of the Investment Agreement.

(b) Approval of annual operating budget & business plan. The annual operating budget and business plan shall be approved by the Board of Company. The annual operating budget and business plan may be amended only by a resolution of the Board of Company.

(c) Other budgets. Prior approval of the Board shall also be required for the following budgets which shall be prepared by Company: (i) Estimated sources and applications of funds; (ii) Estimated profit and loss account; (iii) Estimated balance sheet; and (iv) Detailed assumptions underlining the forecasts for the above.

(d) Variances to annual operating budget & business plan. Any proposed variance to the annual operating budget, business plan or estimations stated above along with reasons for such variance shall be brought to the immediate attention of the Board and shall not be implemented without the prior written consent of Investors."

Inspection & Audit Rights of Investors

Article 202 provides that "Company shall, on receiving a request from Investors at the Investors expense provide as soon as practicable to Investors copies of any documents, secretarial, accounting or other records which are maintained by Company as may be required by Investors. Investors shall have full and complete access to the premises, records, accounts, documents of Company and its subsidiaries with rights, by itself or through its authorised representatives, to inspect such accounts, records and documents at the Investors expense."

Buy-back Events

Article 207 provides that "Notwithstanding the provisions of Article 204, 205 and 206 above (but subject to force majeure events), the Investors shall have the right to require Company to buy-back all of the Investors Shares if the Company is blacklisted by National Highway Authorities of India."

Transfer Price

Article 210 provides that "The transfer price in respect of Investors right under Article 178 shall be such price as may be agreed between Company and the Investors but not less than a price that provides to the Investors an IRR of ten percent (10%) on its aggregate investment in the Company."

Preference to Investors

Article 214 provides that

In case of Liquidity Preference Event, subject to the Applicable Laws and the availability of funds with the Company, the Investors shall be eligible to receive a preferential payment from the assets of the Company in cash or kind. To the extent of funds available thereof, the Investors shall receive an amount that shall provide the Investors higher of:

i. their investment in the Company with 10% IRR; or

ii. the amount which would be distributed to the Investors if all amounts available were distributed among all the shareholders of the Company (including the Investors) in proportion to the equity shares held by each of them.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office of the Company from 10.00 am to 4.00 pm on Working Days during the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Engagement letter dated September 21, 2011 from the Company appointing JM Financial as one of the BRLMs.

2. Engagement letter dated September 15, 2011 and February 1, 2013 from the Company appointing Axis Capital as one the BRLMs.

3. Issue agreement dated February 28, 2013 among the Company, the Selling Shareholders and the BRLMs.

4. Memorandum of understanding dated February 28, 2013 among the Company, the Selling Shareholders and Registrar to the Issue.

5. Escrow Agreement dated [•] among the Company, the Selling Shareholders, the BRLMs, the Escrow Banks, and the Registrar to the Issue.

6. Syndicate Agreement dated [•] among the Company, the Selling Shareholders, the BRLMs and Syndicate Members.

7. Underwriting Agreement dated [•] among the Company, the Selling Shareholders, the BRLMs, Syndicate Members and Registrar to the Issue.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.

2. Our certificate of incorporation dated March 31, 1998.

3. Our certificate of commencement of business dated April 3, 1998.

4. Fresh certificate of incorporation consequent on change of name of the Company dated July 14, 2008.

5. Resolutions of the Board of Directors dated February 21, 2013 in relation to the Issue and other related matters.

6. Shareholders' resolution dated February 25, 2013 approving the Fresh Issue and other related matters.

7. Circular resolution of the IPO Committee dated March 5, 2013 taking on record the Offer for Sale and approving and authorising Draft Red Herring Prospectus.

8. Examination reportof the Auditors dated February 21, 2013 on restated consolidated and unconsolidated summary statements of the Company for six months ended September 30, 2012 and for the Fiscal 2012, 2011, 2010, 2009 and 2008.

9. Statement of tax benefits dated February 21, 2013 from the Auditors'.

10. Copies of annual reports of the Company for the last five financial years.

11. Consent of the Auditors, for inclusion of their examination report on the restated consolidated and unconsolidated summary statements of Company as at and for six months ended September 30, 2012 and as at and for the Fiscal 2012, 2011, 2010, 2009 and 2008.

12. In-principle listing approval dated [●] and [●], from BSE and NSE respectively.

13. IPO Grading Report dated [●] by [●], together with the rationale dated [●].

14. Investment Agreement dated November 10, 2007 entered into between the Company, the Promoters Bollineni Krishnaiah and Bollineni Seenaiah, Infrastructure Development Finance Company Limited, L&T Infrastructure Finance Company Limited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited, Amansa Investments Limited (formerly known as Amansa Fund LP), New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat.

15. Termination Agreement dated February 28, 2012 entered into by the Promoters Bollineni Krishnaiah and Bollineni Seenaiah, Infrastructure Development Finance Company Limited, L&T Infrastructure Finance CompanyLimited, L&T Capital Company Limited, LB India Holdings Mauritius II Limited, Amansa Investments Ltd (formerly known as Amansa Fund LP), New Vernon Private Equity Limited, Tattersalls Limited and Tiger Veda Bharat with the Company.

16. Shareholder Agreement dated December 24, 2010 between our Company C&C Constructions Limited;

17. Shareholder Agreement dated September 16, 2011 between the Company and C&C Constructions Limited;

18. Shareholder Agreement dated February 24, 2011 was executed between the Company and C&C Constructions Limited;

19. Shareholder Agreement December 10, 2010 between KMC Constructions and the Company;

20. Joint venture agreement dated June 12, 2008 entered into between the Company and C&C Constructions Limited;

21. Joint venture agreement dated March 17, 2008 entered into between the Company and C&C Constructions;

22. Memorandum of understanding dated August 6, 2008 entered into between the Company and C&C Constructions;

23. Joint venture agreement dated June 14, 2010 entered into between the Company and C&C Constructions;

24. Joint venture agreement dated September 3, 2010 entered into between the Company and C&C Constructions;

25. Joint venture agreement dated October 20, 2010 entered into between the Company and C&C Constructions;

26. The Company has also entered into a master joint venture agreement dated September 17, 2010 with and C&C Constructions;

27. Joint venture agreement dated March 24, 2005 entered into between the Company and SCL Infratech Limited;

28. Memorandum of understanding dated November 25, 2004 entered into between the Company and CR18G;

29. Joint venture agreement dated November 15, 2011, entered into between the Company and SCL Infratech Limited;

30. Memorandum of understanding dated July 9, 2012 entered into between the Company and C&C Constructions Limited;

31. Joint venture agreement dated December 5, 2007 entered into between the Company and K.G Lakshmipathi & Co.

32. Consents of Bankers to the Company, BRLMs, IPO Grading Agency, Registrar to the Issue, Bankers to the Issue, Syndicate Membaers, Domestic Legal Counsel to the Company, Legal Counsel to the BRLMs as to Indian Law, Legal Counsel to the Tiger Veda Bharat, and Tattersalls Limited, Legal Counsel to L&T Infrastructure Finance Company Limited and Legal Counsel to New Vernon Private Equity Limited, Directors of the Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.

33. Authorisation by LB India Holdings Mauritius II Limited, Tiger Veda Bharat, Tattersalls Limited, L&T Infrastructure Finance Company Limited and New Vernon Private Equity Limited to the Issue by a resolution passed by its board of directors dated February 4, 2013, February 4, 2013, February 19, 2013, September 18, 2012 and February 25, 2013, respectively

34. Tripartite Agreement among NSDL, the Company and the Registrar to the Issue dated June 30, 2006.

35. Tripartite Agreement among CDSL, the Company and the Registrar to the Issue dated [●].

36. Architect's certificate dated February 22, 2013 and consent of Kharche & Associates in relation to various properties which have been developed, are being developed and/or are planned to be developed by us in Chennai.

37. Title certificate dated February 22, 2013 and consent of Nambiar Associates in relation to immovable properties pertaining to the Bollineni Hillside Project.

38. Title certificate dated February 25, 2013 from Hamdan AlHarmi & Associates in relation to immovable properties pertaining to a piece of land in Jumeriah Village, Dubai, United Arab Emirates.

39. Title certificate dated February 25, 2013 from Hamdan AlHarmi & Associates in relation to immovable properties pertaining to a piece of land in Al Hebiah Fourth, Dubai, United Arab Emirates.

40. Certifictaed dated March 4, 2013 from A.V. Ratnam & Co., Chartered Accountants in relation to amount deployed as of February 25, 2013, in BSCPL Aurang Tollway Limited for construction and development of the Aurang Road Project.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of the 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.

COMPANY DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Bollineni Krishnaiah (Chairman)	Sd/-
Bollineni Seenaiah (Managing Director)	Sd/
N. Sivaraman (Nominee Director)	Sd/
Amitabha Guha (Independent Director)	Sd/
Ashoke Joshi (Independent Director)	Sd/
B. Kameswara Rao (Independent Director)	Sd/
P. Murali Krishna (Independent Director)	Sd/

SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY

A.V.B.R. Narasimham (Chief Financial Officer)	Sd/-

Date: March 5, 2013

Place: Hyderabad, Andhra Pradesh, India

DECLARATION OF THE SELLING SHAREHOLDERS

We certify that all statements in this Draft Red Herring Prospectus about us or in relation to us in connection with the Offer for Sale, and the Equity Shares offered by us in the Offer for Sale, are true and correct. We assume no responsibility for any other statements, including statements made by the Company or any other Selling Shareholder in this Draft Red Herring Prospectus.

SIGNED ON BEHALF OF NEW VERNON PRIVATE EQUITY LIMITED

Sd/-

SIGNED ON BEHALF OF TATTERSALLS LIMITED

Sd/-

SIGNED ON BEHALF OF TIGER VEDA BHARAT

Sd/-

SIGNED ON BEHALF OF LB INDIA HOLDINGS MAURITIUS II LIMITED

Sd/-

SIGNED ON BEHALF OF L&T INFRASTRUCTURE FINANCE COMPANY LIMITED

Sd/-

Dated: March 5, 2013