DRAFT RED HERRING PROSPECTUS
February 15, 2018
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

JOHN Energy Ltd.

JOHN ENERGY LIMITED

Our Company was incorporated on October 9, 1987 as 'John Equipments Private Limited' under the Companies Act, 1956 as a private limited company. Subsequently, upon conversion of our Company into a public limited company pursuant to a resolution of our Shareholders on January 1, 1998, our Company's name was changed to 'John Equipments Limited' and a fresh certificate of incorporation, pursuant to change of name,rak was issued by the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**") on April 7, 1998. Pursuant to resolution of our Shareholders on January 1, 1998, our Company's name was subsequently changed to 'John Energy Limited' and a fresh certificate of incorporation, pursuant to change of name, was issued by the RoC on April 13, 1998. For further details of change in name and registered office of our Company, please refer to the chapter "*History and Corporate Structure*" beginning on page 158.

Registered Office: 220, GIDC Estate, Mehsana – 384 002, Gujarat, India | **Tel:** +91 2762 251 830 | **Fax:** +91 2762 254 822
Corporate Office: 101, 1st Floor, Shapath –III, Near GNFC Tower, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, India
Contact Person: Rakesh Ghuwalewala, Company Secretary and Compliance Officer | **Tel**: +91 79 2685 0132 | **Fax**: +91 79 2685 0133
E-mail: investors.jel@johnenergy.com | **Website**: www.johnenergy.com | **Corporate Identity Number:** U29224GJ1987PLC010044

OUR PROMOTERS: MAHESHKUMAR N. VYAS, DILIPKUMAR N. VYAS AND JOHN OIL AND GAS LIMITED

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF JOHN ENERGY LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,180 MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 1,677,744 EQUITY SHARES CONSISTING OF UP TO 800,000 EQUITY SHARES BY INDIA RIG COMPANY AND UP TO 579,830 EQUITY SHARES BY IL&FS FINANCIAL SERVICES LIMITED (THE "INVESTOR SELLING SHAREHOLDERS"), AND UP TO 297,914 EQUITY SHARES BY THE OTHER SELLING SHAREHOLDERS (AS DEFINED HEREINAFTER) (THE INVESTOR SELLING SHAREHOLDERS AND OTHER SELLING SHAREHOLDERS COLLECTIVELY, THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●]% OF THE FULLY DILUTED POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED AT LEAST FIVE (5) WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN [●] EDITION OF ENGLISH NATIONAL DAILY NEWSPAPER [●], [●] EDITION OF THE HINDI NATIONAL DAILY NEWSPAPER [●] AND [●] EDITION OF THE GUJARATI DAILY NEWSPAPER [●], GUJARATI, BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED, EACH OF WIDE CIRCULATION, AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS").

In case of revision in the Price Band, the Bid/Offer Period will be extended by at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding ten (10) Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Managers ("**BRLMs**") and at the terminals of the members of the Syndicate.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), this is an Offer for at least 25% of the post-Offer paid-up equity share capital of our Company. The Offer is being made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer will be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"), to participate in the Offer. For details, see the section titled "*Offer Procedure*" on page 540.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there is no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Offer Price (determined and justified by our Company in consultation with the BRLMs as stated under the section titled "*Basis for Offer Price*" on page 105) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of investors is invited to see the section titled "*Risk Factors*" beginning on page 17.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each Selling Shareholder accepts responsibility only for statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus with respect to itself and the Equity Shares offered by it in the Offer for Sale, and that such statements are true, complete and correct in all material respects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company or the other Selling Shareholders in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. We have received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to the letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see the section titled "*Material Contracts and Documents for Inspection*" on page 595.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
IDFC BANK	KEYNOTE	LINKIntime
IDFC BANK LIMITED Naman Chambers, C-32, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051; Maharashtra, India **Tel**: +91 22 7132 5500; **Fax**: +91 22 6622 2501 **Email**: jel.ipo@idfcbank.com **Investor** grievance email: mb.ig@idfcbank.com **Website**: www.idfcbank.com **Contact Person**: Gaurav Goyal **SEBI Registration No.**: MB/INM000012250	**KEYNOTE CORPORATE SERVICES LIMITED** The Ruby, 9th Floor, Senapati Bapat Marg Dadar (West), Mumbai-400 028 Maharashtra, India **Tel**: +91-22-3026-6000-3; **Fax**: +91-22-3026-6088 **E-mail**: mbd@keynoteindia.net **Website**: www.keynoteindia.net **Contact Person**: Akhil Mohod **SEBI Registration No**: INM000003606	**Link Intime India Private Limited** C-101, 247 Park, L B S Marg Vikhroli West, Mumbai 400 083 **Tel**: +91 22 4918 6200; **Fax**: +91 22 4918 6195 **Email**: johnenergy.ipo@linkintime.co.in **Investor grievance email**: johnenergy.ipo@linkintime.co.in **Website**: www.linkintime.co.in **Contact Person**: Shanti Gopalkrishnan **SEBI Registration No**: INR000004058

BID /OFFER PERIOD

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

(1) *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one (1) Working Day prior to the Bid/ Offer Opening Date.*
(2) *Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs, one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Draft Red Herring Prospectus, and references to any statute or regulations or acts or policies shall include amendments thereto, from time to time. The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

General Terms

Term	Description
"JEL", "the Issuer", "our Company" or "the Company"	John Energy Limited, a company incorporated under the Companies Act, 1956, and having its registered office at 220, GIDC Estate, Mehsana – 384 002, Gujarat, India
"We", "us", "Our"	"We', "us" and "Our" means John Energy Limited and our wholly owned subsidiaries i.e. Synergy Drilling Fluids Private Limited, John Drilling Services Private Limited and John Energy International DMCC

Company Related Terms

Term	Description
Articles/Articles of Association/ AoA	Articles of Association of our Company
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013
Auditor / Statutory Auditor	The statutory auditor of our Company, B S R & Associates LLP
Board/ Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Compliance Officer	Our company secretary who has been appointed as the compliance officer of our Company
Corporate Office	The corporate office of our Company located at 101, 1st Floor, Shapath –III, near GNFC Tower, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, India
Corporate Promoter	John Oil and Gas Limited
Corporate Social Responsibility Committee	The committee of the Board of Directors constituted as our Company's corporate social responsibility committee in accordance Section 135 of the Companies Act, 2013
Director(s)	The director(s) on the Board of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each, fully paid-up, unless otherwise specified in the context thereof
KMP/ Key Managerial Personnel	Key management personnel of our Company as per section 2(s) of the SEBI ICDR Regulations and those individuals described in the sub-section titled "*Our Management – Key Managerial Personnel*" on page 187
Group Companies	The group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see "*Our Promoters, Promoter Group and Group Companies*" on page 194.
IL&FS	IL&FS Financial Services Limited
Individual Promoters	Maheshkumar N. Vyas and Dilipkumar N. Vyas
IPO Committee	The committee of the Board of Directors as described in the section titled "*Our Management*" on page 184
IRC	India Rig Company
Memorandum/ Memorandum of Association/ MOA	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as our Company's nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013

Term	Description
Promoters	Collectively, the Individual Promoters and the Corporate Promoter
Promoter Group	Includes such persons and entities constituting promoter group in terms of Regulation 2 (1)(zb) of the SEBI ICDR Regulations
Registered Office	The registered office of our Company at 220, GIDC Estate, Mehsana – 384 002, Gujarat, India
Registrar of Companies/RoC	Registrar of Companies, Gujarat at Ahmedabad
Restated Consolidated Financial Information	Restated consolidated summary statement of assets and liabilities as at September 30, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013 and restated consolidated summary statement of profit and loss (including Other Comprehensive Income, as applicable) and restated consolidated summary statement of cash flows for the six-month period ended September 30, 2017 and each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Restated Consolidated Statement of Changes in Equity for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 of our Company, its subsidiaries and its associate company and the summary of significant accounting policies, read together with the annexures, read along with all the notes thereto and included in the section titled "*Financial Statements*" on page 197
Restated Financial Statements	Collectively, the Restated Standalone Financial Information and Restated Consolidated Financial Information
Restated Standalone Financial Information	Restated standalone summary statement of assets and liabilities as at September 30, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013 (including Other Comprehensive Income, as applicable) and restated standalone summary statement of profit and loss and restated standalone summary statement of cash flows for the six-month period ended September 30, 2017 and each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Restated Standalone Statement of Changes in Equity for the six months period ended September 30, 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 of our Company, and the summary of significant accounting policies, read together with the annexures read along with all the notes thereto and included in the section titled "*Financial Statements*" on page 197
Shareholders	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as our Company's stakeholders relationship committee in accordance with Regulation 20 of the SEBI Listing Regulations
Subsidiaries	The wholly-owned subsidiaries of our Company, namely Synergy Drilling Fluids Private Limited, John Drilling Services Private Limited and John Energy International DMCC

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid Cum Application Form
Allot/Allotment/Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, with a minimum Bid of ₹ 100.00 million, in accordance with the SEBI ICDR Regulations
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investor in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs on the Anchor Investor Bid/ Offer Period
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus

Term	Description
Anchor Investor Bid/ Offer Period	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any bids from Anchor investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price, but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion, consisting of [●] Equity Shares, which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations
ASBA Bidder	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bankers to the Offer	The Escrow Collection Bank(s), the Refund Bank and the Public Offer Bank
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Bidders under the Offer and which is described in the sub-section titled "*Offer Procedure- Allotment Procedure and Basis of Allotment*" on page 574
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than Anchor Investor) pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a bid in the Offer
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in [●] edition of English national newspaper [●], [●] edition of Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati also being the regional language of Gujarat where our Registered Office is located, each with wide circulation and in case of any revision
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting ASBA Bids for the Offer, which shall be notified [●] edition of English national newspaper [●], [●] edition of Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati also being the regional language of Gujarat where our Registered Office is located, each with wide circulation
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective investors can submit their Bids, including any revisions thereof. Our Company in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one (1) Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations
Bid Lot	[●] Equity Shares.

Term	Description
	The minimum Bid Lot for the Offer will be decided by our Company in consultation with the Book Running Lead Managers and will be advertised, at least five (5) Working Days prior to the Bid/Offer Opening Date, in [●] edition of English national newspaper [●], [●] edition of Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati also being the regional language of Gujarat where our Registered Office is located, each with wide circulation
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
BRLMs/Book Running Lead Managers	The book running lead managers to the Offer, being IDFC Bank Limited and Keynote Corporate Services Limited
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	Agreement to be entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), the Refund Bank and the Public Offer Bank(s) for collection of the Bid Amounts from the Anchor Investors, transfer of funds from the Escrow Account to the Public Offer Account and where applicable, refunds of the amounts collected from the Bidders, on the terms and conditions thereof
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such branches of SCSBs which coordinate Bids under the Offer with the BRLMs, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in
Cut-off Price	The Offer Price, finalised by our Company in consultation with BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/ husband, investor status, occupation and bank account details
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by SCSBs as the case may be, to the Public Offer Account or the Refund Account, as appropriate in terms of the Red Herring Prospectus and the Prospectus, and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries	Syndicate, sub-syndicate, SCSBs, Registered Brokers, the CDPs and RTAs, who are authorised to collect ASBA Forms from the Bidders, in relation to the Offer
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and

Term	Description
	http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm)
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable =6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm)
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/3/3/0/0/Recognised-Intermediaries or such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated February 15, 2018 issued in accordance with the SEBI ICDR Regulations
Eligible NRI(s)	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
Escrow Account(s)	Account(s) opened for the Offer with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue or transfer money through direct credit/NECS/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agent	[●]
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form in case of a joint Bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 2,180 million by our Company
General Information Document/GID	The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circulars (CIR/CFD/POLICYCELL/III/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, suitably modified and included in the section titled "*Offer Procedure*" on page 540
IDFC	IDFC Bank Limited
Investor Selling Shareholders	Shall collectively mean India Rig Company and IL&FS Financial Services Limited
Keynote	Keynote Corporate Services Limited
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of Offer related expenses. For further information about the Offer related expenses, see the section titled "*Objects of the Offer*" on page 98
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Offer	Public issue of up to [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated February 15, 2018 between our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer

Term	Description
Offer Price	The final price at which the Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company in consultation with the BRLMs, on the Pricing Date. Unless otherwise stated or the context otherwise implies, the term Offer Price refers to the Offer Price applicable to investors other than Anchor Investors
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to the Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see the section titled "*Objects of the Offer*" on page 98
Offer for Sale	The offer for sale of up to 1,677,744 Equity Shares by the Selling Shareholders aggregating to up to ₹ [●] million, comprising of such number of Equity Shares by each of the Selling Shareholders as set out in the section titled "*The Offer*" on page 72
Other Selling Shareholders	Shall collectively mean: 1) Kalpraj Damji Dharamshi (jointly with Hina Kalpraj Dharamshi) 2) Nilesh S. Shah 3) Shah Vinaben Rashmikant (jointly with Shah Rashmikant Navnitlal) 4) Dr. Jehangir Sorabjee 5) Chetan R. Shah 6) Ushma Sheth Sule 7) Dalal Niraj Deepak (jointly with Dalal Sadhana Deepak) 8) Amit Himatlal Shah 9) Vinay Gopalakrishnan Nair 10) Nirbhay Mahawar 11) Chetan R. Shah (HUF) 12) Sunil Singh 13) Naren R. Shah 14) Salonee A. Sanghvi 15) Shah Rashmikant Navnitlal (jointly with Shah Vinaben Rashmikant)
Price Band	Price Band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof. The Price Band will be decided by our Company in consultation with the BRLMs and will be advertised, at least five (5) Working Days prior to the Bid/Offer Opening Date, in [●] edition of English national newspaper [●], [●] edition of Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati also being the regional language of Gujarat where our Registered Office is located, each with wide circulation
Pricing Date	The date on which our Company, in consultation with BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined through the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	Account opened with the Public Offer Bank(s) to receive monies from the Escrow Account(s) and to which the funds shall be transferred by the SCSBs from the ASBA Accounts of the successful Allottees, on or after the Designated Date
Public Offer Bank(s)	Bank(s) with whom the Public Offer Account for collection of bidding amount from Escrow Account(s) and ASBA Accounts of the successful Allottees will be opened
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) amounting to 50% of the Offer being [●] Equity Shares, which shall be available for allocation to QIBs, including the Anchor Investors
Qualified Institutional Buyers/QIBs	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus/RHP	The Red Herring Prospectus to be issued in accordance with section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, and includes any addenda and corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three (3) Working Days before the

Term	Description
	Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made
Refund Bank	[●]
Refunds through electronic transfer of funds	Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable
Registered Brokers	Stock brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar Agreement	The agreement dated February 15, 2018 between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents/RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer/Registrar	Registrar to the Offer, in this case being, Link Intime India Private Limited
Retail Individual Bidder(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidder(s) subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous revision form(s) before closure of the Offer. Kindly note that QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bid (in terms of quality of Equity Shares or the Bid Amount) at any stage, once submitted. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw the Bids until the Bid/Offer Closing Date.
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb /home /list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from, time to time
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholders, our Company, the BRLMs and the Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Selling Shareholders	The Investor Selling Shareholders and the Other Selling Shareholders
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Stock Exchanges	BSE and NSE
Syndicate Agreement	The agreement to be entered into amongst the BRLMs, the Syndicate Members, the Registrar to the Offer, our Company and the Selling Shareholders in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Syndicate/ members of the Syndicate	BRLMs and the Syndicate Members
Systemically Important Non-Banking Financial Companies	A non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than ₹ 5,000 million as per its last audited financial statements
Underwriters	[●]
Underwriting Agreement	The agreement amongst the Underwriters, our Company, the Selling Shareholders and Registrar to the Offer, to be entered into on or after the Pricing Date
Working Days	"Working Day", with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on

Term	Description
	which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical/ Industry Related Terms / Abbreviations

Term	Description
API	America Petroleum Institute
CARE Report	The report titled "*Oil and Gas Industry – January 2018*" issued by CARE Research, an independent division of CARE Ratings Limited, in January 2018
CBM	Coal Bed Methane
ERP	Enterprise Resource Planning
E&P	Exploration and Production
GSPC	Gujarat State Petroleum Corporation
HSE	Health Safety & Environmental Policy
HP	Horse Power
IMF	International Monetary Fund
IMS	Integrated Management System
KOC	Kuwait Oil Company Limited
LOA	Letter of Award
LTI	Lost Time Incident
MENA	Middle East and North Africa
OCI	Other Comprehensive Income
Oil & Gas	Refers to crude oil and natural gas
Order book	Our Company's order book as of a particular date comprises the estimated revenues from the unexecuted portions of all our existing contracts and letters of award issued by the relevant parties we intend to contract with.
NOC	National Oil Company
ONGC	Oil and Natural Gas Corporation
PMS	Preventive Maintenance System
PSI	Pounds per square inch
RARE	Rakesh Radheshyam Jhunjhunwala and his associates
Rig	Rig is a device or piece of equipment designed for drilling holes on the surface of Earth
SCMD	Standard Cubic Meters Per Day
Workover	Workover is used to refer to any kind of oil well intervention involving invasive techniques, such as wireline, coiled tubing or snubbing.

Conventional and General Terms/ Abbreviations

Term	Description
AED	United Arab Emirates Dirham
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/Accounting Standards	Accounting Standards issued by the ICAI
AY	Assessment Year
BSE	BSE Limited
Banking Regulation Act	The Banking Regulation Act, 1949
CAGR	Compounded Annual Growth Rate
Calendar Year/CY	Unless the context requires, shall refer to the 12 month period ending December 31, of the year
CARE	CARE Ratings Limited
Category II foreign	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI

Term	Description
portfolio investor(s)/ Category II FPIs	Regulations
Category III foreign portfolio investor(s)/ Category III FPIs	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate identity number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act/Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections
CSR	Corporate social responsibility
CST	Central Sales Tax
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository participant's identification
EBITDA	Earnings before finance cost, tax, depreciation and amortization
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a Fiscal divided by the weighted average outstanding number of equity shares at the end of that Fiscal
FCNR	Foreign currency non-resident
Factories Act	Factories Act, 1948
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FII	Foreign Institutional Investors
FIPB	Foreign Investment Promotion Board
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
Financial Year/ Fiscal/ fiscal/ FY	Period of twelve months ending March 31 of that particular year
FVCI	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards issued by International Accounting Standards Board
Ind AS	The Indian Accounting Standards referred to in and notified by the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules 2015
Indian GAAP	Generally Accepted Accounting Principles in India
IRDAI	Insurance Regulatory and Development Authority of India
IPO	Initial public offering
ISIN	International Securities Identification Number

Term	Description
IT	Information Technology
I.T. Act	The Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
LLP Act	Limited Liability Partnership Act, 2008
Mn / mn	Million
MICR	Magnetic ink character recognition
N.A.	Not applicable
NACH	National Automated Clearing House
NCLT	National Company Law Tribunal
NECS	National Electronic Clearing Service
Net Worth	The aggregate of the paid up share capital, securities premium account and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
Net Asset Value	Net asset value being paid up equity share capital plus reserves and surplus (excluding reserves created out of revaluation) less deferred expenses not written off (including miscellaneous expenses not written off) and debit balance of Profit and Loss account, divided by number of issued Equity Shares
NGO	Non-Governmental Organisation
Notified Sections	The sections of the Companies Act, 2013 that have been notified as having come into effect prior to the date of this Draft Red Herring Prospectus
NR/Non-Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE Account	Non Resident External Account
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	Per annum
P&L	Profit and loss
P/E Ratio	Price/earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
PAT	Profit after tax
PSU	Public sector undertaking
RBI	The Reserve Bank of India
RONW	Return on Net Worth
Rupees / Rs. / ₹ / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SBI	State Bank of India
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Term	Description
Regulations	Regulations, 2015
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Securities Act	United States Securities Act, 1933
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Sq. Ft./sq. ft.	Square feet
State Government	The Government of a state in India
Stamp Act	The Indian Stamp Act, 1899
Stock Exchange(s)	BSE and/ or NSE as the context may refer to
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
US / USA	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD / US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
WC	Working capital

Notwithstanding the foregoing, terms in the sections titled "*Industry Overview*" "*Statement of Tax Benefits*", "*Financial Statements*", "*Offer Procedure – Part B - General Information Document for Investing in Public Issues*" and "*Main Provisions of Articles of Association*" on pages 111, 108, 197, 551 and 585, respectively, shall have the meaning given to such terms in such sections.

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

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India, all references to the "U.S.", "U.S.A." or the "United States" are to the United States of America. Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements. Certain other financial information pertaining to our Group Companies is derived from their respective financial statements. For further information, please see the section entitled "*Financial Information*" on page 197 of this Draft Red Herring Prospectus.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year.

The audited and restated financial statements as at and for Fiscals 2017, 2016 and 2015 and the six months period September 30, 2017 are prepared and presented in accordance with Ind AS, the Companies Act, 2013, the SEBI ICDR Regulations and the guidance notes issued by ICAI. The audited and restated financial statements as at and for Fiscals 2014 and 2013 are prepared and presented in accordance with Indian GAAP, the Companies Act, 2013, the SEBI ICDR Regulations and the guidance notes issued by ICAI. As required under applicable law, our Company transitioned from Indian GAAP to Ind AS and for the purposes of the transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 – First Time Adoption of Indian Accounting Standards with April 1, 2015 being the transition date. For details on the differences between Indian GAAP and Ind AS, and the risks associated with the same, please see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Previous GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.*" on page 41.

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

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in the sections titled "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 17, 134 and 476 respectively, have been calculated on the basis of the Restated Financial Statements. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points. However, certain figures in percentage and certain figures not derived from our Restated Financial Statements (including in the sections titled "*Summary of Industry*", "*Industry Overview*" and "*Our Business*") have been rounded off to one decimal point.

Industry and Market Data

The sections titled "*Summary of Industry*" and "*Industry Overview*" quotes and otherwise includes information from a commissioned report, or the CARE Report, prepared by CARE Research for the purposes of this Prospectus. We commissioned CARE Research to provide an independent assessment of the opportunities, dynamics and competitive landscape of the markets in India for the business we are engaged in.

Except for the CARE Report, we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that derived from the CARE Report, used in this

Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors*" on page 17. Accordingly, investment decisions should not be based solely on such information.

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 addition, certain data in relation to our Company used in this Draft Red Herring Prospectus has been obtained or derived from the CARE Report which may differ in certain respects from our Restated Financial Statements as a result of, *inter alia*, the methodologies used in compiling such data. Accordingly, no investment decision should be made based on such information.

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

In accordance with the SEBI ICDR Regulations, the section titled "*Basis for Offer Price*" on page 105 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLMs have independently verified such information.

Currency and Units of Presentation

All references to "Rupees", "₹" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "USD" or "$" or United States Dollars are to the official currency of the United States of America. All references to "AED" are to the official currency of the United Arab Emirates.

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

In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations.

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

(In ₹)

Currency	Exchange rate as on					
	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	September 30, 2017
1 US$*	54.39	60.10	62.59	66.33	64.84	65.36
1 AED^	14.79	16.26	17.02	18.00	17.62	17.81

*Source: *www.rbi.org.in, ^www.oanda.com*
Note: In case March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

Such conversions should not be considered as a representation that such currency amounts have been, could have been or could be converted into Rupees at any particular rate, the rates stated above or at all.

Definitions

For definitions, see the section titled "*Definitions and Abbreviations*" on page 1.

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. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

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

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in India and our ability to respond to them, our ability to successfully implement our strategy, our development plan, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas, which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

- our business prospects with our key clients;
- future developments, trends and conditions in the industry and markets in which we operate;
- change or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices;
- our business strategies and plans to achieve these strategies;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment and general outlook in the industry and markets in which we operate;
- the effects of the global financial markets and economic crisis;
- our ability to reduce costs;
- our dividend policy;
- the amount and nature of, and potential for, future development of our business;
- capital market developments;
- the actions and developments of our customers as well as our competitors;
- volumes, operations, margins, risk management and overall market trend;
- Non-compliance with specific obligations under the financing agreements by us;
- Inability to obtain and retain adequate numbers of skilled and qualified employees in addition to other manpower that we require for our projects;
- Inability to manage our working capital (including obtaining financing in order to meet our capital expenditure requirements) or maintain quality in the products we manufacture;
- Contingent liabilities, environmental problems and uninsured losses;
- Our ability to manage risks that arise from these factors.

For further discussion of factors that could cause our actual results to differ, see the sections titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 17, 134 and 476, 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. There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance. Our Company, the Selling Shareholders, our Directors, the BRLMs, other members of the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company, the Selling Shareholders (in respect of its own information and information relating to the Equity Shares being offered for sale by the Selling Shareholders included in this Draft Red Herring Prospectus) and the BRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described in this section are not the only risks relevant to us or the Equity Shares, but also to the Oil & Gas service industry or India. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, do occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, the effects of certain risks may not be quantifiable, and hence, have not been disclosed in the applicable risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

Prospective investors should read this section in conjunction with the other sections of this Draft Red Herring Prospectus, in particular the sections titled "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 134, 111 and 476, respectively, as well as the financial information included in the section titled "Financial Information" on page 197.

This section also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, please see section titled "Forward Looking Statements" on page 15. Unless, otherwise specifically indicated the financial information in this section is derived from our Restated Consolidated Financial Information.

INTERNAL RISK FACTORS

1. We are dependent on government-owned Oil & Gas exploration companies and the loss of, or a significant reduction in, the services provided to such clients could adversely affect our business.

Our business is largely dependent on government-owned Oil & Gas exploration entities for a large portion of our revenues. For the six months period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, revenue from government-owned Oil & Gas exploration entities constituted 88.94%, 96.86%, 90.19% and 68.13% of our consolidated revenue from operations, respectively. The upstream industry in India as well as the Middle East and Africa is primarily dominated by government controlled organisations. Any loss of, or the reduction, delay or cancellation of contracts from these clients could have an adverse effect on our business, financial condition, cash flows and results of operations. Under such circumstances, we may have difficulty securing comparable levels of business from other private sector clients to offset any loss of revenue and profits.

Further, there can be delays and non-compliance of the contractual terms by these entities in relation to payment of our dues, in a timely manner or at all. Documentary closure or completion of government contracts, including the release of performance guarantees and final acceptance notices may take a significant amount of time and could be subject to material delays, which also adversely affect our financial condition and results of operations. Our ability to take recourse against these government owned entities is limited and may be time consuming. Further, political pressures or new regulations may lead to reduced returns for the services provided by us under various contractual arrangements. Any such reductions, delays or defaults, if material, could materially and adversely affect our business, prospects, financial condition, cash flows and results of operations.

In addition, major events affecting our government-owned clients in India as well as abroad, such as change in government, changes in government policies, dis-investment, mergers and acquisitions and privatisation by the government could have an adverse impact on our business and prospects. If any or all of the aforesaid events occur, we may lose some or all of our business from the government-owned entities and some of our receivables may have to be written off, adversely impacting our income and financial condition.

2. We are dependent on a single industry and a small number of key clients. Any change in trend towards outsourcing of the services we provide may impact our business and operations.

We provide the companies engaged in the onshore exploration, development and production of Oil & Gas, with our services offerings of Oil & Gas field services, which include services pertaining to land-based drilling and workover rigs, air and natural gas compression services and natural gas dehydration services. Although, we believe that Oil & Gas companies shall continue to out-source the specialised activities of gas compression and de-hydration in line with and to match up to the global trends, however, there is no assurance that such a trend would continue over long periods. Any change in these trends whereby the Oil & Gas companies provide these services in-house, including for reasons of liability enforcement, risk profile, changes in the regulatory stipulations shall adversely affect our financial conditions and results of operations.

In the aggregate, our top three customers accounted for 91.32%, 92.38%, 86.25% and 84.17% of our consolidated revenue from operations in the six months period ended September 30, 2017 and Fiscals 2017, 2016 and 2015 respectively. Our largest customer accounted for 45.25%, 61.50%, 67.84% and 53.62% of our total consolidated revenue in the six months period ended September 30, 2017 and Fiscals 2017, 2016 and 2015 respectively. Furthermore, it is likely that we will continue to derive a significant portion of our revenue from a relatively small number of clients in the future. Contracts entered in to with the Oil & Gas exploration companies, in the Oil & Gas service industry typically do not obligate the customers to engage us to provide additional services from the field services contractor beyond those for which they have currently contracted. If a major client decided not to continue to use our services or to terminate an existing contract, or if there is a change of management or ownership of a major client, revenue would decline and our business, results of operations, financial condition and growth strategy could be adversely affected.

3. Our business is directly affected by the demand for onshore drilling rigs and drilling services which in turn is directly related to the factors affecting E&P activities in the markets in which we operate. Factors adversely affecting the E&P activities in these markets would adversely impact our business, revenues and financial condition.

Our business is dependent upon the levels of Oil & Gas exploration, development and production activities within the markets in which we operate. The Oil & Gas exploration and production industry is historically a cyclical industry characterized by significant changes in the levels of exploration and development activities. A reduction in exploration, development and production activities, or in the budgeted expenditure of Oil & Gas companies, will cause a decline in the demand for our rigs and services, which could have a material adverse effect on our business and thereby on our financial performance. Furthermore, there can be no assurance that the Oil & Gas companies will be able to obtain the financing necessary to explore, develop or produce new prospects, resulting in reduced demand for our services.

Our business is subject to the volatile price movement of global crude oil prices. The prevailing and projected prices of Oil & Gas play vital role in deciding the economic feasibility of the reserves, our clients' activity levels and planned expenditures. The Oil & Gas exploration companies forecast the price range of these commodities over the term of the project to derive the viability of the project. High Oil & Gas prices make it viable for our clients to continue or increase their planned exploration, development and production spending. However, significant volatility or any prolonged downward trend or in Oil & Gas prices, or any perception or expectation of the same by our clients, may cause our clients to reduce or defer expenditures on exploration, development and production projects. In addition, sustained high Oil & Gas prices could be an impediment to general economic growth and may affect the spending decisions of our clients and adversely affect our financial performance.

In addition to the prices of Oil & Gas, exploration, development and production activities in the Oil & Gas industry are influenced by the following factors:

- overall level of global economic growth and activity;
- actual and perceived changes in the supply and demand for Oil & Gas;
- political instability or armed conflict in Oil & Gas producing regions, such as the Middle East;
- operational constraints, including timely access to resources, availability of adequate infrastructure facilities and lack of technological know-how;
- fiscal and macroeconomic factors, as these exploration projects are highly capital intensive, timely and economical availability of finance also influence E&P activities;
- regulatory and political interferences, in terms of receiving the required permissions, licenses, clearances have always remained a matter of concern for the entire upstream industry;

- geological factors are now emerging as major constraints affecting the drilling activities especially with increasing use of unconventional methods of exploration which not only involves higher capital requirements but also has the possibility of variance between the actual and estimated reserves;
- also, rising concern towards environmental issues in case of unconventional drilling activities impacts E&P activities.

Reduced demand for Oil & Gas generally results in lower prices for these commodities and may impact the economics of planned drilling projects and ongoing production projects, resulting in the curtailment, reduction, delay or postponement of such projects and also may experience an inability to pay service providers. When drilling and production activity and spending decline, both day rates and utilization have also historically declined. Declines in Oil & Gas prices and the general economy could materially and adversely affect our business, results of operations, financial condition and growth strategy.

With the advancement of technology, alternative fuel sources including biodiesel, bio alcohol (methanol, ethanol, butanol), refuse-derived fuel, hydrogen, non-fossil methane, non-fossil natural gas, vegetable oil, propane and other biomass sources, that are sustainable and renewable are fast gaining importance and acceptability. Over a period of time the cost of delivered alternative fuel sources have come down. In the event these alternative fuels are viewed as viable substitutes to petrol, diesel and natural gas by consumers and the availability of vehicles designed to utilise the fuels, and the necessary fuel distribution infrastructure is developed, it could substantially reduce the demand for crude oil and natural gas and could materially and adversely affect our business, results of operations, financial condition and growth strategy.

Any of these factors could result in a material adverse effect on E&P activities in the markets in which we operate. The demand for onshore drilling rigs and drilling services in turn is directly related to the E&P activities. Thus, our business is directly affected by these factors and would adversely impact our business, revenues and financial condition.

4. ***Expiry of our existing contracts or termination of our contracts may adversely affect our results of operations and financial condition. Additionally, we have in the past and may in the future continue to incur liquidated damages.***

Certain of our existing contracts are, and some of our future contracts may be, relatively short-term in nature. The initial term of some of our contracts may be extended on one or more occasions, at the discretion of the client, however, our clients have no obligation to extend the term of any drilling contract and may elect to release the rig. Management of the mobilization of our fleet for optimal use may therefore be difficult, and significant periods may exist between contracts during which our rigs are not on hire.

In addition, our contracts are subject to early termination by our clients under certain conditions, such as when drilling operations are suspended for an extended period of time due to our non-performance of any obligation under the contract, *force majeure*, destruction of our rigs, or in case drilling operations do not commence on schedule (including where the same arises owing to our non-performance), the loss or destruction of the rig, breach of any material provision of the drilling contract, including any change in our ownership or assignment without the consent of the client, failure to provide skilled workmen, or non-compliance with applicable laws, and we may not be entitled to any termination compensation under such circumstances. In addition, certain of our contracts grant our clients the right to terminate our contracts or otherwise intervene in the performance of our contracts, if they believe that we are not performing our obligations in a satisfactory manner or in accordance with industry standards, and we are not entitled to any termination compensation in such circumstances. Certain of our contracts also grant our client a discretionary right to terminate the relevant contract at any time upon relatively short notice. As of September 30, 2017, fiscals 2017, 2016 and 2015 we have paid a total of ₹ 0.69 million, ₹ 20.25 million, ₹ 23.69 million and ₹ 108.04 million respectively, towards liquidated damages that have paid owing to the contracts we have entered into in the past.

5. ***We generally do not enter into long term contracts with our customers. Our inability to obtain new contracts for our rigs on timely basis or at favorable rates or at all, may adversely affect our results of operations and financial condition.***

Most of our contracts with customers typically range for a period of 6 months to 48 months. Our Company's ability to renew the contracts that are expiring or to obtain new contracts and the terms of any such contracts will depend on market conditions as well as the laid our E&P plan of our customers. Our Company may not be able to renew its expiring contracts / obtain new contracts on timely basis or at the existing day rates or rates better than the existing day rates or at all. Further, upon the termination of any of our contracts, there can be no assurance that we will then be able to obtain other contracts for such rigs at equivalent or higher rates, or at all. If we are unable to obtain contracts for any of our rigs for a significant period, or if we are only able to do so at rates lower than previously obtained, our results of operations may be materially and adversely affected.

6. ***Our Company can provide no assurance that its Order Book will be ultimately realized at the contracted amounts or at all.***

As of January 15, 2018, we have an Order Book of ₹ 7,808.58 million, which includes firm contracts and letter of award issued to our Company (estimated contract value at hand calculated as on January 15, 2018 based on contracted R1 day rate). Our Order Book may not necessarily translate into actual future revenues or earnings. Our order book is based on the contracted day rates (R1 rates) for the number of days our rigs are contracted with the operators. Our actual revenues have been lower than the contracted revenues as the day rates applicable for the number of days for which the rig is kept non-operational at the instance of the operators. Likewise, there are certain days during the contract period where the rigs attract varied day rates i.e. which are lower than the day rate set out in the contract for drilling operations. There may also arise situation wherein our Company may not in a position to be able to perform under its contracts due to various operational factors, including unscheduled repairs, maintenance, operational delays, health, safety and environmental incidents, incidents relating to weather including snowfall, sub-zero temperature, torrential rain and extremely hot desert conditions and elsewhere and other factors (some of which are beyond the control of our Company). Thus, the realised amount may not be necessarily be equal to the contracted rate.

Besides, our Company's clients may seek to cancel or renegotiate the contracts for various reasons. In some of the contracts, our customer has the right to terminate the contract without penalty and in certain instances, with little or no notice. Our clients have in the past terminated our contracts as enumerated below.

Contract No.	Rig No.	Contracted End Date	Termination/ Suspension Date	Loss of Revenue (₹ in million)	Reason for Termination/ Suspension
8500001104	23	March 24, 2017	February 21, 2015	346.30	Truncation of work program due to global crude oil price crisis
8500000671	21	November 18, 2015	March 2, 2015	128.74	Truncation of work program due to global crude oil price crisis

Our Company's inability or the inability of its clients to perform their respective contractual obligations may have a material adverse effect on our Company's financial position, results of operations and cash flows. For further details, please see section titled "*Our Business*" on page 134.

7. ***Our business is exposed to the changes in the technical and other requirements of our clients, which may require us to make major capital investments or may be beyond our capabilities.***

Our business is exposed to changes in the technical and other requirements of our clients. Better and newer technologies being developed worldwide help optimize drilling performance, reduce well construction costs and reach previously untapped reserves. We are thus required to constantly upgrade our rigs to match the changes in requirements of our clients. Onshore drilling is complex and challenging based on the terrains, which are being drilled, the depth of drilling, nature of Oil & Gas potential, etc. Also, incremental production from complex fields would require high specification rigs and associated equipment. Further, our customers may choose to include specific conditions with respect to age and condition of the equipment in the contracts we enter into which may require us to make further investments to meet such requirements.

Due to the technical nature and / or the complexities involved in the drilling and workover process we may be required to make capital investment in deploying our rigs and related equipment for such operations. There could be situations where we may not have the expertise, technology or capital resources to respond adequately to such changing customer needs. If we fail to adapt our operations to respond effectively to these requirements, to possess such technical capabilities and expertise and / or make such capital investments in a timely manner or at all, our results of operations may be materially and adversely affected.

8. ***We operate in a highly technical sector and our existing drilling rig fleet as well as expertise in services we provide may become obsolete and we may be required to make substantial capital investment towards acquiring technologically advanced rigs or upgrading our rig fleet and developing competencies. Inability to acquire or adapt to new technology may cause our drilling methods or equipment to become less competitive, it may have a material adverse effect on our business, results of operations, financial condition***

and growth strategy.

Over the years we have built a rig fleet comprising of drilling and workover rigs of varying capacities and capabilities. We continuously endeavor to acquire rigs of higher capacities and maintain rig fleet to meet our business requirements. Our business requires us to keep pace with technological advances. However, the technological standards of the rigs, equipment and the machinery used by us may change, including based on the requirements of the business. Our drilling rigs, equipment and processes that we currently use may become obsolete or less efficient compared to more advanced technology equipment and processes that may be developed in the future. Our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost-effective and timely basis. The cost of acquiring and/ or upgrading our drilling rigs, equipment or implementation of such advanced technology processes could be significant and could adversely affect our results of operations and financial position.

Further, changes in technology or improvements in competitors' equipment could make our equipment less competitive or require significant capital investments to build and maintain a competitive advantage. Further, we may face competitive pressure to design, implement or acquire certain new technologies at a substantial cost. Some of our competitors have greater financial, technical and personnel resources that may allow them to implement new technologies before we can. If we are unable to implement new and emerging technologies on a timely basis or at an acceptable cost, it may have a material adverse effect on our business, results of operations, financial condition and growth strategy.

9. Our earnings and profitability have been volatile in the past. We have managed to grow our earnings and profitability in the last few years but our financial performance is highly dependent on the E&P activities and onshore drilling market conditions. An inability to manage our growth could disrupt our business and reduce our profitability.

In Fiscal 2015, 2016 and 2017, consolidated total income were ₹ 5,148.00 million, ₹ 5,651.05 million and ₹ 5,817.29 million, respectively. In Fiscal 2015, 2016 and 2017, profit after tax, was ₹ 336.30 million, ₹ 290.53 million and ₹ 713.56 million respectively. We have achieved a CAGR of 6.30% from ₹ 5,148.00 million in Fiscal 2015 to ₹ 5,817.29 million in Fiscal 2017, in our consolidated revenues and 45.66% from ₹ 336.30 million in Fiscal 2015 to ₹ 713.56 million in Fiscal 2017 in our consolidated profits after tax. However, our annual growth in revenues and profitability for some of the financial years has been negative. We have experienced high growth in recent years through a combination of organic growth and acquisitions of assets and expect our business to grow significantly. Our rapid growth has placed, and is expected to continue to place, significant demands on our personnel, management and other resources. If we fail to manage effectively our recent and future acquisitions of Rigs (together with related financings), our results of operations could be adversely affected. For instance, we have acquired six rigs in the past five years. We also intend to expand our operations into certain geographic regions, such as in MENA and we may be comparatively less familiar with operating conditions and procedures in such regions and jurisdictions. If we do not continue, or are unable, to improve our operations and our financial, management and legal/compliance information systems to keep pace with the growth of our business and operations, our results of operations may be adversely affected.

Our success will depend on, among other things, our ability to secure financing at commercially viable rates or at all, our assessment of potential markets, the timing of our capital investments, our control over our input costs, and our ability to attract new clients, maintain and further enhance our current position with our clients, and maintain sufficient operational and financial controls. As a result, our growth strategy may place significant demands on our management and other resources.

Our growth strategies involve risks and difficulties, all or any of which may be beyond our control, and accordingly, there can be no assurance that we will be able to complete our scheduled expansions on time or at all and/or without incurring additional expenditures. If market conditions change, if operations do not generate sufficient cash flows or for any other reasons, we may decide to delay, modify or forego all or part of our growth strategies. Our future results of operations may be adversely affected if we are unable to implement our growth strategies successfully or at all.

For further details, please see section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 476.

10. Our Company, our Subsidiaries, our Directors and our Promoters are involved in certain material legal proceedings, which if determined unfavourably, could have an adverse impact on our reputation, business,

financial condition and results of operations.

There are outstanding material legal proceedings involving our Company, our Subsidiaries, Directors and Promoters. These proceedings are pending at different levels of adjudication before various courts and tribunals. We, our Directors, our Promoters and our group entities may be required to devote management and financial resources towards enforcing our and their respective rights under such actions. However, we cannot assure you that these matters will be settled in our favour or in favour of our Subsidiaries, Directors or Promoters, or that no further liability will arise out of these claims. An unfavourable outcome in the aforesaid proceedings, individually or in the aggregate, could materially and adversely affect our business, reputation, operations, financial position or results of operations.

A summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory or statutory authorities against our Company, our Subsidiaries, Directors and our Promoters, as applicable, as at the date of this Draft Red Herring Prospectus is set out below. A classification of the legal proceedings instituted against and by our Company, our Subsidiaries, Directors and our Promoters, the monetary amount involved, wherever quantifiable, in these cases is mentioned in brief below.

Litigation against our Company

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	1	3.35
2.	Civil	2	16,470.72
3.	Tax	16	139.97
4.	Regulatory/ statutory action	1	10.52
Total		**20**	**16,624.56**

Litigation by our Company

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	1	26.41
3.	Tax	8	69.82
Total		**9**	96.23

Litigation against our Subsidiaries

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	Nil	Nil
3.	Tax	Nil	Nil
Total		Nil	Nil

Litigation by our Subsidiaries

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	Nil	Nil
3.	Tax	Nil	Nil
Total		Nil	Nil

Litigation against our Directors

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	Nil	Nil
3.	Tax	Nil	Nil
4.	Regulatory/ statutory action	Nil	Nil

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
	Total	**Nil**	**Nil**

Litigation by our Directors

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	Nil	Nil
3.	Tax	19	29.88
	Total	**19**	**29.88**

Litigation against our Promoters

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	Nil	Nil
3.	Tax	Nil	Nil
	Total	**Nil**	**Nil**

Litigation by our Promoters

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million
1.	Criminal	Nil	Nil
2.	Civil	Nil	Nil
3.	Tax	22	61.38
	Total	**22**	**61.38**

Note: The amounts indicated above (wherever quantifiable) are approximate amounts. Further details provided above are as per the materiality policy on litigation adopted by our Board on January 22, 2018.

For further details of the cases mentioned above, please see section titled "*Outstanding Litigation and Material Developments*" on page 509.

11. We face competition from Indian and foreign Oil & Gas service providers in India. We also face competition from foreign players in the overseas markets where we operate. We cannot assure you whether we will be able to compete with these players effectively and our inability to do so may impact our business, revenues and financial condition.

In India, our industry is relatively concentrated amongst a few onshore Oil & Gas service providers and there are several small players capable of competing in markets on a local basis. There are some foreign companies which also provide these services in India, Thus, we face competition from a few large domestic players and some foreign players. Further, some of the large upstream players have their own equipment. With increasing E&P activities they may choose to expand their rig fleet, may replace their existing old rigs with new rigs or and thereby reduce their dependence on Oil & Gas service providers like us. This, in turn, can limit the business opportunities that may be available to us.

Contracts are traditionally awarded on a competitive bid basis. We believe that service quality, service availability, technical proficiency and pricing are key factors in determining which contractor is awarded a contract. Some of our competitors have larger fleets and businesses, have greater financial and other resources, have greater brand recognition and reputation, greater geographical reach and/or lower capital costs. This allows them to better withstand industry downturns, compete on the basis of price, relocate assets more easily, and/or build or acquire additional assets, all of which may affect our revenues or profitability. As a result of this competition, we may even be required to reduce our day rates in order to win bids which would lead to reduced margins eventually resulting in decreased profitability.

In addition, we may compete with local or regional companies with a strong foothold in the industry. There can be no assurance that we can successfully grow our business in these markets. Local competitors in each country in which we operate may have more domestic experience and better relationships with clients than we do. Further, being located in the proximity to the geographical regions where we intend to grow, the local competitors are able to offer lower rates due to lower mobilisation costs. In addition, many governments favour, or effectively require contracts to be awarded to, local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Such policies may affect our ability to compete. If other companies relocate or acquire onshore drilling assets for operations in the geographical regions where we operate, the levels of competition in such regions may increase, and our business could be adversely affected as demand for our rigs and services could be negatively impacted by increased supply of similar onshore drilling assets and services.

12. ***Our Rigs being non-operational for an extended period of time would lead to a reduction in utilisation rates and revenue generated under contracts which could adversely affect our profitability and results of operation.***

A significant portion of our income is generated under contracts with fixed day rates and our profitability is directly proportional to our rigs utilisation rate. We operate a fleet of 34 rigs as on the date of this DRHP of which 14 rigs are currently not being utilized under any contract with any client. If one of our rigs were to be damaged, our utilisation rate would decline, which could adversely affect our revenues. Additionally, unplanned maintenance requiring any of our rigs to be on downtime (not operational during the pendency of a contract) for an extended period of time would lead to a reduction in utilisation rates and revenue. While our insurance policies cover the expenses associated with rig fleet maintenance, we do not maintain business interruption insurance to offset lost revenue. Our rigs may also be non-operational if we are not able to renew our contracts with existing customers on a particular project or location. Idling period between expiry of a contract and commencement of work on a new contract also affects our revenues and profitability.

Further, some of our high-powered rigs (1,000 HP and more) contribute a major share towards our revenue and accounted for 69.18%, 71.62%, 73.12% and 63.02% of our revenues for the six months period ended September 30, 2017 and Fiscals 2017, 2016 and 2015 respectively, and any circumstances which resulted in one of these equipment being off-hire for a prolonged period of time would have a material adverse impact on our business, financial condition and results of operations.

Further, maintenance, refurbishing, upgrading and repairing of our assets requires substantial expenditure in a situation where a drilling unit faces long idle periods. While we may seek to redeploy crew members, who are not required to maintain the units, to active units to the extent possible. However, there can be no assurance that the we will be successful in reducing its costs.

Any failure on our part to ensure that our Rigs are not non-operational for longer periods of time may result in our utilisation rates and revenue generated under contracts to be adversely affected and could have a material adverse effect on our financial condition.

13. ***Downtime of rigs may result in decrease in operating revenues.***

The operation of drilling rigs requires effective maintenance routines and functioning equipment. Certain pieces of equipment are critical regarding the rigs' performance of the drilling services as required in customer contracts. While we strive to continuously identify the need for critical spare parts and equipment, there is a risk of downtime resulting from the time needed to repair or replace equipment which may have a long delivery time should there not be readily available spares during which 'Operational Day Rate' or R1 is not payable to us and a lower 'Equipment Breakdown Day Rate' or R3 is payable during the downtime.

In addition, downtime and suspension periods may be prolonged due to complications with repairing or replacing equipment as the drilling units may be situated in remote locations, which would result in lower revenue collection for the days when the equipment is facing a downtime and R3 rates are payable instead of higher R1 rates.

In the event we are unable to manage our costs vis-à-vis our operating revenues, it may have a material adverse effect on our profitability and financial condition.

14. ***Failure to obtain or maintain pre-qualifications from clients or loss of our pre-qualified status from our existing clients could adversely impact our business.***

The Oil & Gas industry, due to highly technical nature of services performed, relies on contractors/ subcontractors with varying expertise to undertake the bulk of hands-on work such as up-stream drilling and workover services and midstream transportation and storage services. The type of work performed by these contractors/ subcontractors, bear significant business risks, especially with regard to potential injuries and illnesses, and environmental concerns. One of the most effective strategies for minimizing risk for upstream and midstream players is to undertake a comprehensive contractor/ subcontractor pre-qualification process, through which these players verify the processes and the expertise available to a contractor and associated subcontractors. Pre-qualification process also provides a level playing field for all parties since it establishes a uniform rating system to determine the minimum requirements permitted to bid on specific projects.

As obtaining pre-qualification and maintaining the same is linked to our ability to bid for future business, any failure to obtain or maintain pre-qualifications from clients or loss of our pre-qualified status from our existing clients could adversely impact our business, reputation and financial condition.

15. The success of our business is dependent on our ability to employ and retain skilled employees.

The success of our business is dependent on our ability to employ and retain personnel with specialized skills and technical knowledge, such as engineers, Rig and operations managers, and sales and service staff. Skilled employees with appropriate experience in the onshore oilfield services industry are scarce and the employment market for such personnel is very competitive. Over the last few years, competition for the labour required for operations has intensified as the number of Rigs activated, added to worldwide fleets or under construction increased, leading to shortages of qualified personnel in the industry and creating upward pressure on wages and higher turnover.

We may experience a reduction in the experience level of our personnel as a result of any increased turnover, which could lead to higher downtime and more operating incidents, which in turn could decrease revenues and increase costs. Competition has resulted in inflationary pressure on hiring, training and retention costs for such personnel. Companies in the oilfield services industry typically offer attractive compensation packages to attract and retain qualified personnel. The financial resources required to continue to attract and retain such personnel may adversely affect our operating margins. In response to these historical labor market conditions, we increased efforts in our recruitment, training, development and retention programs as required to meet our anticipated personnel needs. If we are unable to continue to attract and retain skilled employees in the future and/or we are subject to labour laws and regulations in particular countries which restrict our skilled personnel from working in such country, there may be an interruption or delay to our operations and may have an adverse effect on our business.

The success of our business also depends to a large extent on the services of many of our experienced and skilled middle and senior management, such as heads of operations, project and rig managers and area managers. Any loss of middle and senior management personnel without timely and suitable replacements may have a material adverse effect on our business and results of operations. In addition, there can be no assurance that key middle and senior management personnel will not join our competitors and use their expertise and knowledge of our operations to help other businesses compete more effectively against us.

16. Our business is dependent on the policies of the Government of India for the Oil & Gas industry.

Our business and our industry are heavily dependent, directly and indirectly, on the policies of the Government of India in the Oil & Gas industry. Adverse changes in government policies could harm our business and results of operations in many significant ways, including with respect to the negative growth of our business and our industry and our overall profitability. The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements, conditions, costs and expenditures on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

17. The global supply of rigs may increase sufficiently which may result in reduced demand for our rigs and negatively affect our results of operations.

Demand for our rigs and services may be subject to fluctuations as a result of industry conditions, with periods of high demand, short supply of rigs and high rates potentially being followed by periods of low demand, excess supply of rigs and low rates. As a result of significant exploration and development activities envisaged in coming years, major foreign rig operators may make a foray into the Indian markets. The entry into service of these rig operators will gradually increase supply of rigs into the Indian markets, which could curtail any further increases in day rates, reduce day rates and/or result in lower utilisation rates which would adversely affect our revenues and profitability. In a situation of rig over-supply, it is likely that newer and higher specification rigs may be hired before our rigs.

The construction of new rigs involves significant capital investment and time. During depressed market conditions, clients may no longer require our rigs, may be able to obtain comparable rigs at lower rates, or elect not to exercise any applicable extension options, seek to renegotiate contract terms or avoid their obligations. Changing industry conditions during such time may result in us being unable to achieve the anticipated returns of investment in a new rig. Our ability to renew our contracts or obtain new contracts, and the terms of any such contracts, will depend on market conditions at that time. If demand for our rigs declines, this will have an adverse effect on our rig utilisation and day rates, and our results of operations.

18. Increases in the costs of operating our rigs, compressing units and dehydration units may exceed estimates upon which our contracts are based and this could adversely affect our results of operations.

As most of our contracts with our clients are on a fixed day rate and on a contracted capacity basis, we have a limited ability to adjust rates in response to any increase in the cost of maintenance, repairs, spare parts, salaries, consumables and compliance with any new rules and regulations and any such other factors which may arise under our contracts. Such costs may be unpredictable and fluctuate based on events beyond our control, and any substantial increase in such costs would adversely impact our profitability. Additionally, given the various conditions we are required to comply with, which are set out in the agreements we enter into, we may not be in a position to control the costs.

Our actual costs and any gross profit realised on these contracts will often vary from the estimated amounts on which these contracts were originally based. This may occur for various reasons including, amongst other things, errors in estimates or bidding, changes in availability and cost of labour and materials like diesel and spare parts and any changes in regulations and compliances environment applicable to us. These variations and the risks inherent in our projects may result in reduced profitability or losses on projects. Depending on the size and duration of a project, variations from estimated contract performance could result in a material adverse effect on our results of operations.

19. We are subject to extensive health, safety and the environment ("HSE") laws and regulations, and potentially substantial liability, that could require significant expenditures and adversely affect our business, results of operations and financial condition.

Our operations and rigs are affected by numerous international and national laws and regulations concerning matters of HSE including, but not limited to, those relating to the health and safety of employees, discharges of hazardous substances into the environment, the removal and clean-up of environmental contamination, the handling and disposal of waste. The technical requirements of these laws and regulations are becoming increasingly complex, stringently enforced and expensive to comply with, and this trend is likely to continue. Breach of these rules and regulations may result in fines, penalties and/or claims by authorities and clients. The operation of drilling units, entail inherent risk for pollution and resulting liability which could, potentially have a significant adverse effect on rig owners and operators, which may not be fully covered under contractual arrangements or insurances coverage

Any failure to comply with these HSE laws and regulations may result in administrative, civil and criminal penalties, the imposition of remedial obligations and the issuance of injunctions that may limit or prohibit our operations. Any failure to maintain HSE standards may result in the cancellation or termination of our present contracts, new contracts not being awarded to us, or regulatory authorities imposing fines, penalties or sanctions on us, including prohibiting us from continuing our operations, which could have an adverse effect on us. A failure to maintain health, safety and environmental standards could also result in injuries, death, damage to the environment, liability, or damage to our reputation which could make it more difficult for us to recruit and retain skilled personnel. Our clients are also subject to HSE laws and regulations, and any material failure by them to comply with applicable HSE requirements could adversely affect their operations and result in a decrease in demand for our services or in our contracts with our clients being terminated.

Certain HSE laws provide for strict, joint and several liabilities without regard to negligence or fault for natural resource damages, health and safety, remediation, and clean-up costs of spills and other releases of hazardous substances, and such laws may impose liability for personal injury or property damage as a result of exposure to hazardous substances. Such HSE laws and regulations may expose us to liability for the conduct of others or for acts that complied with all applicable HSE laws when they were performed. The enactment of new HSE laws or regulations, or stricter enforcement or new interpretations of existing HSE laws or regulations, could impair demand for our services and/or have significant impact on our operating costs and require further expenditure to modify operations, install pollution control equipment, perform clean-up operations, curtail or cease certain operations, or pay fines or make other payments for pollution, discharges or other breaches of HSE requirements. There can be no assurance that we will be able to comply with such HSE laws in the future. The failure to comply with such HSE laws or regulations could result in substantial costs and/or liabilities to third parties or government entities, which could result in a material adverse effect on our business, financial condition, results of operations and prospects.

We have generally been able to obtain some degree of contractual indemnification pursuant to which our clients agree to protect and indemnify us against liability for pollution, well and environmental damages; however, there can be no assurance that we can obtain such indemnities in all of our contracts or that, in the event of extensive pollution and environmental damages, our clients will have the financial capability to fulfill their contractual obligations to us. Also, these indemnities may not be foreseeable in all instances.

Further, if more stringent compliance or clean-up standards are imposed, or the results of future testing and analyses at our operating facilities indicate that we are responsible for the release of hazardous substances, we may be subject to remediation liability and increased environmental compliance costs. Furthermore, additional environmental matters may arise in the future at sites where no problem is currently known or at sites we operate in the future. This could have a material adverse effect on our business, financial condition and result of operations.

20. Our business involves many hazards and operational risks, some of which may not be fully covered by insurance. If a significant accident or event occurs that is not fully insured, our operations and financial results could be adversely affected.

There are a variety of risks inherent in our operations that may generate liabilities, including contingent liabilities, and financial losses to us, such as:

- damage to the rigs, related equipment, and surrounding properties, personal injury or loss of life caused by cyclones, floods, fires and other natural disasters and acts of terrorism;
- inadvertent damage to the rigs, other equipment and staff due to operational hazards present in the Oil & Gas industry, such as fire, explosion, blowouts and oil spills;
- leaks or losses of Oil & Gas as a result of the malfunction of equipment or facilities and other hazards that could also result in damage to our rigs and related equipment, personal injury or loss of life and suspension of operations.

Any of these or other similar occurrences could result in the disruption of our operations, significant damage to our assets, substantial repair costs, personal injury or loss of human life and substantial revenue losses.

Our Company maintains insurance cover that our management deems prudent and customary in our industry, and to the extent insurance is available on reasonable terms to protect ourselves from hazards as above. Any occurrence of a significant event or adverse claim in excess of the insurance coverage that we maintain, or that is not covered by our insurance policies, could have a material adverse effect on our financial condition and results of operations. The cost of acquiring a replacement rig could also exceed our insurance coverage if the current replacement cost stated in our insurance policy is less than the amount required to purchase a replacement at the relevant time.

Additionally, litigation arising from any adverse occurrence at a location where our rigs and services are being used may result in us being named as a defendant in lawsuits asserting large claims. This could result in us incurring additional costs in the form of legal fees and compensation or damages, which could also adversely affect our financial condition and results of operations. The occurrence of an event not fully insured against, or the failure of an insurer to meet its insurance obligations, could result in substantial losses for us. Even a partially uninsured claim, if successful and of significant magnitude, could have a material adverse effect on our results of operations and financial condition.

For further details, please see section titled "*Our Business*" on page 134.

21. ***The loss of or interruption in operations of one or more of our Company's key suppliers and shortages of supplied and services could have a material adverse effect on our Company's operations. Further, consolidation in suppliers may limit availability of supplies and services when needed, at an acceptable cost, or at all.***

We are reliant upon third party suppliers for some of the key raw materials that we use in providing services. This reliance on the third party suppliers involves several risks, including limited control over the price, timely delivery and quality of such materials or equipment. Our Company relies on a limited number of suppliers for certain raw materials, particularly sand and other proppants, which are critical for drilling operations. If our Company is to have a problem sourcing these or other raw materials or transporting these materials from these suppliers to our drilling and workover sites, our ability to provide our services would be limited.

Our Company does not have commitments with our suppliers to ensure the continued supply of raw materials. Historically, we have placed orders with its suppliers that meet our expected raw material demands for short periods of time. Any changes in our suppliers could cause material delays in our operations and increase costs.

Further, our suppliers may not be able to meet our future demands as to volume, quality or timeliness. Our Company's inability to obtain timely delivery of key raw materials of acceptable quality or any significant increases in prices of such materials could result in material operational delays, increasing our operating costs and limiting our ability to provide services on time or otherwise materially and adversely affect our Company's business and operating results. Further, our operations require significant amounts of water and may be negatively impacted by shortages of water, due to droughts or otherwise, in the areas in which our Company operates.

22. ***Our results of operations may be adversely affected due to an inability to select or negotiate favourable contract terms.***

Although we generally seek longer-term contracts for our rigs, market conditions at the time of negotiating contracts for use of our rigs may result in us accepting shorter term contracts. A failure to select the correct type of contract and price bid, particularly when a market is at its inflection point, could lock us into low returns and have an adverse effect on our profits and results of operations.

In addition, our ability to negotiate contract terms with our clients may be limited. We enter into detailed contractual arrangements for the services we provide for our business. These contracts entered into by us, contain various covenants and obligations which we are required to comply with which include supervisions and reporting obligations, submissions of the necessary information at regular intervals, submission of relevant documents in relation to the equipment, employee and various other aspects. We are also required to provide performance guarantee in some of our contracts in relation to the services that we provide. While we seek to follow the International Association of Drilling Contractors ("**IADC**") form of drilling contract, the terms and provisions of each of our contracts are individually negotiated with each client on a case-by case basis and therefore vary significantly, although all of them are day rate contracts. In some instances, we may be required to use the standard form of drilling contract adopted as a matter of policy by a client, and this further affects our ability to negotiate such contract terms. There is no assurance that we will be able to negotiate favourable terms or such terms which are similar to what we have signed now or will agree to in the future. Any onerous conditions which we agree to and may not comply with may have a significant impact on our business in the future. A failure to negotiate favourable terms of the contract, could lock us into low returns and have an adverse effect on our profits and results of operations. Further, in this highly competitive market our ability to negotiate favorable terms with large NOCs and foreign E&P players is limited, which may result in us not realizing high returns and it shall have an adverse effect on our profits and results of operations.

23. ***We have limited experience performing and implementing gas dehydration services contracts.***

We have recently started providing gas dehydration services. Our limited experience in gas dehydration services could impair our ability to complete such contracts in a timely manner or at all. We may also be subject to delays or additional liabilities in the form of liquidated damages in connection with performance and implementation of such contracts. Further, we have no prior experience in performing and implementing gas dehydration contracts of the scale we are currently undertaking, as a consequence of which, we may also face difficulties in managing these contracts. The occurrence of any of these events could prevent us from being awarded gas dehydration contracts in future thereby materially and adversely affecting our business, financial condition, cash flows and results of operations.

24. Our business is capital intensive and it may require additional financing in the future for growth

We operate in a capital intensive industry and the further expansion and development of our business requires significant additional capital. In particular, substantial additional funds are required if we wish to expand our fleet of rigs, compression packages or dehydration packages. The gas dehydration services that we have recently started also require us to incur significant capital expenditure. We may, from time to time, obtain additional capital through debt or equity financing to fund our capital expenditures. Debt financing is generally available in the event we have firm contracts or letters of agreement signed with our clients. Thus, any capital expenditure for expansion of our fleet and service equipment and/ or upgradation is to be funded out of shareholders equity. Financing through the issue of new equity securities may result in dilution to the holders of our Equity Shares and such new equity securities may have rights, preferences or privileges senior to those of existing Shareholders.

Additional debt financing, if obtained, may expose us to the covenants imposed by the financial institutions or lenders. These covenants may include, among others, restrictions to pay dividends or require us to dedicate a substantial portion of our cash flow from operations to the payments of our debt. All these restrictions will reduce the availability of our cash flow to fund capital expenditures, working capital and other general corporate purposes and limit our flexibility in planning for, or reacting to, changes in our business and industry.

While we have so far been able to borrow the funds necessary to finance our operations in the current market environment, any prolonged disruptions to the credit markets could limit our ability to borrow funds from our current funding sources or cause our continued access to funds to become more expensive. These market conditions may also limit our ability to replace, in a timely manner, maturing liabilities and access the capital necessary to grow our business. In the event that any of the above events materialise, our business, financial performance and financial position may be adversely affected.

25. We have high working capital requirements and we may not be able to raise the required capital for future orders.

Our business requires a large amount of working capital, used primarily to run the operations. Our working capital requirements may increase if, under certain orders from our clients, payment terms do not include advance payments or such orders have payment schedules that shift payments toward the end of the order or otherwise increase our working capital requirements. All of these factors may result, or may have resulted, in increases in our working capital needs.

Our ability to arrange working capital financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our current projects and other laws that are conducive to our raising capital in this manner. Our attempts to complete future financings may not be successful or on favorable terms.

In connection with projects that we implement, we may be required to provide bank guarantees or performance bonds in favor of clients to secure obligations under contracts. As of December 31, 2017, we had ₹ 979.21 million outstanding under such guarantees and performance bonds. If we are unable to provide sufficient collateral to secure the bank guarantees or performance bonds, our ability to enter into new contracts could be limited. Providing security to obtain bank guarantees and performance bonds increases our working capital needs and limits our ability to provide other bonds and guarantees, incur capital expenditures and pay dividends. We may not be able to continue obtaining additional bank guarantees, and performance bonds in sufficient quantities to match our business requirements.

26. Our business is dependent on industry conditions, which may be influenced by geo-political factors and other several factors which are beyond our control. These factors may affect our business, financial conditions, results of operations and prospects

Our business is dependent upon the levels of Oil & Gas exploration, development and production activities within the market in which we operate. A reduction in exploration, development and production activities or in the budgeted expenditure of the Oil & Gas companies, shift towards alternatives to Oil & Gas exploration and leaning towards other sources of renewable energy will result in reduced demand for our services. Significant volatility in the Oil & Gas prices over a prolonged downtrend period may also result in reduced expenditure on exploration. Apart from the prices of Oil & Gas, significant changes in the policy relating to exploration in India and other Oil & Gas producing countries may adversely affect our business and financial conditions.

27. Exchange rate fluctuations may adversely affect our results of operations as we report our results in Indian rupees but have debt and some of our contracts are denominated in U.S. dollars.

We are exposed to risks related to exchange rate fluctuations, particularly with respect to the U.S. dollar, because we report our results in Indian rupees but have debt and some of our contracts are denominated in U.S. dollars. As a result, changes in currency exchange rates may affect our results of operations. As at December 31, 2017, ₹ 3,164.8 million (consisting of external commercial borrowings of ₹ 3,164.8 million or approximately 55.25% per cent, of our total indebtedness of ₹ 5,728.13 million was denominated in U.S. dollars. We purchase new rigs from overseas markets and we may have to rely on imports to meet part of the equipment and fuel requirement of some of our contracts. Consequently, a decline in the value of the Indian Rupee against such other currencies could increase the Indian Rupee cost of servicing our debt or making such capital expenditures.

Accordingly, any depreciation of the Indian rupee against the U.S. dollar or other foreign currencies contracts in, may adversely affect our results of operations by increasing the cost of financing any debt denominated in U.S. dollars or any proposed capital or revenue expenditure in foreign currencies. If we are unable to pass on the costs of foreign exchange variations to our clients, depreciation of the Rupee against foreign currencies may adversely affect our results of operations and financial condition. Likewise, any appreciation of the Indian rupee against the U.S. dollar may adversely affect our results of operations to the extent of some of our contracts which are denominated in U.S. dollars. In addition, the policies of the Reserve Bank of India ("**RBI**") may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations.

In order to reduce our currency exchange risks, we currently have hedging arrangements in relation to the external commercial borrowings, both principal and interest. However, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian rupee against the U.S. dollar or other relevant foreign currencies.

For further details, please see section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 476.

28. We do not have all records of documents relating to corporate actions undertaken by our Company and we do not have statutory filings in relation to certain disclosures made in this Draft Red Herring Prospectus.

We have been unable to trace complete set of documents pertaining to corporate, accounting and other statutory records, including RoC filings. Our Company had appointed a practicing company secretary to undertake a search of the documents at the office of the RoC. We were unable to trace the share transfer forms/slips related to the share capital build-up of Promoters and the returns of allotment (Forms-2) for the allotment of Equity Shares made on January 29, 1988, Form 3 in relation to the allotment of shares on March 30, 1994 and the registration of resolutions (Form 23) for the relevant shareholders resolutions passed in relation to the allotments made on July 25, 1998, July 31, 2004 and February 27, 2006, are also not available.

Consequently, certain disclosures in this Draft Red Herring Prospectus in relation to changes in our issued, subscribed and paid up share capital and changes in Promoters' shareholding have been made in reliance on the minutes of the meetings of Board of Directors and register of members of our Company, to the extent available.

We cannot assure you that we will not be subject to any penalty imposed by the competent regulatory authority in this respect or that we will not incur additional expenses arising from our inability to furnish correct particulars in respect of the RoC filings or other corporate records, or for misrepresentation of facts which may occur due to non-availability of documents.

29. Our lenders have imposed certain restrictive conditions on us under our financing arrangements and we are required to obtain consents from our lenders for undertaking certain activities. Any inability to obtain lender consent on time, or at all, may restrict our ability to pursue our growth plans.

As of December 31, 2017, our outstanding loans on an unconsolidated basis aggregated to ₹ 4,674.33 million. In respect of such loans, we have entered into various agreements with our lenders and bankers. We are required to obtain prior consent of our lenders for, among other matters, to effect any material change in the management of the business, to enter into any scheme of merger, amalgamation, compromise, demerger or corporate reconstruction or enter into any scheme of compromise or arrangement with any of our creditors, to make any amendments in our Company's Memorandum and Articles, to effect any change in our Company's capital structure and issue any further share capital whether on a preferential basis or otherwise, to declare any dividend, to revalue its assets, to create, organise, incorporate any company to become its subsidiary, to undertake guarantee obligations on behalf of any third party or any other company etc. While we have obtained the consents of all our lenders for this Offer, there can be no assurance that we will be able to obtain lender consents in the future, as and when required, in time or at all. If we are not able to obtain such consents in future, it may limit our ability to pursue our growth plans.

For further information, please see section titled "*Financial Indebtedness*" beginning on page 507.

30. Invocation of our performance bank guarantees issued in relation to any one of our projects could adversely affect our financial condition.

Under terms of our contracts with our clients, we usually provide performance guarantees to our clients in favour of our clients to ensure performance under our contracts, which are required to be kept valid for the entire duration of the contract. During this period, we are required to perform, implement and execute the contract in accordance with specifications and requirements set out under the contracts entered with our clients. Some of our contracts have stringent liquidated damages provisions which become applicable in case of delay of mobilization of manpower and equipment, delay in performing the obligations under our contracts, delay in demobilization of our equipment or where there are delays in execution of any other aspect of the contract.

As of December 31, 2017, we have issued performance bank guarantees amounting to ₹ 979.21 million of which, guarantees amounting to ₹ 383.98 million are outstanding. A call on one or more of these guarantees or drawdown on letters of credit could adversely affect our banking relationships along with an adverse effect on our financial results.

31. Delays or defaults in customer payments could adversely affect our profits and liquidity.

We regularly commit resources to projects prior to receiving advances or other payments from clients in amounts sufficient to cover expenditures. We may be subject to working capital shortages due to delays or defaults in customer payments. We also undertake significant expenditure in connection with the transport and setting up of the rigs in addition to expenditure on diesel and spare parts. There can be no assurance that we will not experience significant delays or defaults in customer payments. Any delays associated with our collection of receivables from clients could result in lower than expected cash flows from operating activities.

If clients default in their payments on project to which we have devoted significant resources or if a project in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our business, financial condition, liquidity and results of operations and could cause the price of our Equity Shares to decline.

32. Failure to recover additional claims against clients for payment could have a material adverse effect on us.

We occasionally bring claims against our clients for additional cost exceeding the contract price or for amounts not included in the original contract price. These types of claims occur due to matters such as client-caused delays or changes from the initial scope of work, which result in additional cost, both direct and indirect. Often, these claims can be the subject of lengthy arbitration or litigation proceedings, and it is often difficult to accurately predict when these claims will be fully resolved. When such events occur and unresolved claims are pending, we may invest additional working capital in our ongoing contracts to cover cost overruns pending the resolution of the relevant claims. A failure to promptly recover on such claims could have a material adverse impact on our liquidity and consequently our financial results. For details of the ongoing claims made by us, please see section titled "*Outstanding Litigation and Material Developments*" on page 509.

33. If we fail to maintain an effective system of internal controls, our business, financial results and reputation could be materially and adversely affected.

We recognize that an effective internal control system is essential to the integrity of our business, financial results and reputation. Our Company has established, implemented and maintained the requirements of quality management system. Our Company has been certified by BVQI as ISO 9001: 2008 company for "Provision of onshore Oil & Gas Drilling and Work over operation services and compression of natural gas". The key milestones in the process of maintaining proper internal controls are proper planning, adaptation of the new technology and up-gradation, continuous training & updating of our human resources, proper implementation of health & safety requirement, cost effective service and compliance of customer's requirement. However, there can be no assurance that our efforts and measures to integrate and improve our internal controls system will be effective. If we fail to maintain, or encounter difficulties in improving, effective internal controls in the future, our business, financial results and reputation may be materially and adversely affected.

34. Our success depends on key members of our management, the loss of any of whom could disrupt our business operations.

We depend to a large extent on the services of our executive directors and senior management team. In particular, our Promoter and Chairman Maheshkumar N. Vyas, our Executive Director, Dilipkumar N. Vyas and our senior management including our chief operating officer, R P Tyagi, have in-depth knowledge of the operation, technology, financial and investment aspects and management of the Oil & Gas services industry. With their knowledge and experience, the continuous service of our Directors and senior management team is important to our future prospects and development. An inability to retain any key managerial personnel may have an adverse effect on our operations. Our ability to execute orders also depends on our ability to attract, train, motivate and retain highly skilled professionals, particularly at managerial levels. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also not be able to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our whole-time directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

35. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or other disputes with our employees or our contractors' employees.

Our operations are labour-intensive. As of January 31, 2018, we had 1,537 full-time employees. None of our employees are affiliated with any labour unions. However, there can be no assurance that our employees will not form a union, join any existing union or otherwise organize themselves. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We may also be subject to laws regulating labour in countries outside where we may execute contracts in future. Although, we currently have harmonious relations with our employees and they are not unionized at present, there can be no assurance that we will continue to have such relations. If our relations with our employees are strained, it may become difficult for us to maintain our existing labour policies, and our business may be adversely affected.

36. Our business requires us to obtain and renew certain licenses and permits from government, regulatory authorities and the failure to obtain or renew them in a timely manner may adversely affect our business operations.

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by authorities such as the Government of India, the State Governments and certain other regulatory and government authorities, for operating our business. In particular we are required to obtain certificate of registrations for carrying on certain of our business activities from the Government of India, the State Governments and other such regulatory authorities that are subject to numerous conditions.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. Further, we have limited experience in managing and operating services related to midstream services like gas compression services and natural gas dehydration services. Our Company may thus fail to obtain all the required licenses or maintain those licences, which may affect our ability to service existing contracts and bid for any new contracts. Noncompliance or failure to adhere to conditions of such licences may result in litigation, which may impact our business, profitability and financial condition. We have applied for certain regulatory approvals that have not been received as of the date of this Draft Red Herring Prospectus. For further details, see section titled "*Government and Other Approvals*" on page 515.

While as of the date of this Draft Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business in the future. There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, could divert management time and attention, and consume financial resources in defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings. Further, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected.

37. Our Company has reassessed the useful lives of rigs in the past.

Our Company has reassessed the useful lives of rigs in the past on the basis of report of an independent valuer, which resulted in accretion to the figure of reserves and surplus as on March 31, 2012 to ₹ 229.79 million. Accordingly, the written down value of the rigs as at April 1, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. This reassessment was made consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. There can be no guarantee that our Company will not undertake a similar reassessment whether due to change in regulations or otherwise.

38. There are potential conflicts of interest, with our Corporate Promoter.

Our Corporate Promoter, John Oil and Gas Limited is incorporated with objects which are similar to that of our Company. Even though the board of directors of our Corporate Promoter has resolved that it will not carry the same business as our Company, we cannot assure you that it will not engage in business activities that will be similar to that undertaken by our Company. For further details, please refer to section titled "*Our Promoters, Promoter Group and Group Companies - Common Pursuits*" on page 193.

39. Our operating projects are mostly located in in India and expanding into other countries poses risks.

As on the date of this Draft Red Herring Prospectus, our operations are geographically concentrated in India. Our business is significantly dependent on the general economic condition and activity in the Indian states in which we operate, and the central, state and local government policies relating to Oil & Gas sector. We have in the past executed projects outside of India including Kazakhstan, Uganda and Algeria. We may expand geographically, and may not gain acceptance or be able to take advantage of expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We face additional risks if we undertake projects in other geographic areas in which we do not possess the same level of familiarity.

We may be affected by various factors, including but not limited to:

- adjusting our development and operational methods to different geographic areas and to comply with different legal and regulatory requirements;
- obtaining the necessary government and other approvals in time or at all;
- attracting clients in a market in which we do not have significant experience; and
- hiring sufficiently experienced employees and absorbing increased management costs.

Further, our competitors may have a significant foothold over such geographies. If we undertake any expansion, we may not be able to successfully manage some or all of these risks, which may have a material adverse effect on our revenues, profits and financial condition.

40. ***We operate in geographies prone to terrorist attack, social and political unrest and other acts of violence without insurance coverage for the same. Any occurrence of events of this nature could have a material adverse effect on our business, results of operation and our investments.***

We have operations in countries faced with social and political unrest, and are prone to terrorist attacks. Though we have availed insurance policies to cover risks pertaining to our business, the insurance policies maintained by our Company do not cover risks associated with terrorist attack or other acts of violence. In the event of loss caused due to any act of violence or terrorist attack, our business operations could be affected and our investments could erode.

41. ***We have in the past entered into related party transactions and may continue to do so in the future***

We have entered into and may in the course of our business continue to enter into transactions specified in the Restated Consolidated Financial Information and Restated Standalone Financial Information contained in this Draft Red Herring Prospectus with related parties that include our Promoters, Directors and our Subsidiaries as applicable as on such date. For further details in relation to our related party transactions, see the sub section titled "*Related Party Transactions*" on page 504.

While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favorable terms. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our financial condition and results of operations.

42. ***We have certain contingent liabilities and our cash flows, financial condition and profitability may be adversely affected if any of these contingent liabilities materialise.***

As of September 30, 2017, the following contingent liabilities, on a standalone and on a consolidated basis, were not provided for in our Restated Financial Information:

(*₹ in million*)

S. No.	**Particulars**	**As of September 30, 2017 (on a standalone basis)**	**As of September 30, 2017 (on a consolidated basis)**
1.	Income tax demands disputed in appeals-Primarily relates to disallowance of certain expense for assessment year 2013-14. The matter is pending before Income Tax Appellate Tribunal (ITAT)	10.51	10.51
2.	Service tax demands disputed in appeals-Primarily relates to classification of services for period 2004 to 2010. The matter is pending before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.	36.61	36.61
3.	Income tax demands disputed in appeals-Pertains to disallowance of higher depreciation rate considered for AY 2002-03 to 2009-10 which was decided in favour of the Company by the Hon'ble Income Tax Appellate Tribunal (ITAT). However, the Department has preferred an appeal before the Hon'ble Gujarat High Court and the matter is pending hearing. Based on the opinion of the legal counsel of the Holding Company, the Management is confident of the outcome being in the favour of the Company and accordingly, no provision is required to be made in these interim consolidated financial statements. However, as a matter of abundant precaution, the aforesaid litigation is being disclosed as contingent as at the reporting date.	114.46	114.46
4.	Performance guarantees issued to clients	1,014.78	1,014.78
5.	Corporate guarantees of USD 20,500,000 given by Holding Company to bank for credit facilities taken by foreign subsidiary	1,339.78	1,339.78

If any of these contingent liabilities materialize, we may have to fulfil our payment obligations, which may have an adverse impact on our cash flows, financial conditions and results of operations. For further details, see the section titled "*Financial Statements*" on page 197.

43. *Our management will have significant flexibility in applying the Net Proceeds.*

We intend to use the net proceeds of the Offer in the manner as described in the section titled "*Objects of the Offer*" on page 98. We cannot assure you that the Offer proceeds will be utilized in conformity with the costs or schedules of implementation of the projects proposed to be implemented as described in such chapter. It is possible that the utilization of Offer proceeds may vary due to various factors that may be beyond our control, including factors that we do not currently foresee. We may have to revise our estimates from time to time on account of changes in planned spending and the initiatives which we may pursue. Our funding requirements for the Objects and the deployment schedule of the Net Proceeds are based on current conditions and are subject to change in light of external factors which may not be in our control. This may also include rescheduling the proposed utilization of Net Proceeds at the discretion of our management. Our Company may make necessary changes to such utilisation in such cases in conformity with the provisions of the Companies Act, 2013 and SEBI ICDR Regulations in relation to the change in the objects in a public issue. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to enter into arrangements for utilization of the Offer proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Offer and our business and financial results may suffer.

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

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

- repayment/pre-payment, in full or in part, of certain borrowings availed by our Company; and
- general corporate purposes.

For further details of the proposed objects of the Offer, see the section titled "*Objects of the Offer*" on page 98. At this juncture, we cannot determine with any certainty if we would be able to completely utilise the Net Proceeds towards the objects aforementioned. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

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

In light of these factors, we may not be able to undertake variation of objects of the Offer to use unutilised proceeds of the Offer, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, which may adversely affect our business and results of operations. Further, pending utilisation, we are required to deposit the Net Proceeds only in scheduled commercial banks listed under schedule II of the Reserve Bank of India Act, 1934.

45. *Our Company has unsecured loans that may be recalled by the lenders at any time and our Company may not have adequate funds to make timely payments or at all.*

Our Company has availed unsecured loans which may be recalled by the lenders at any time. As of December 31, 2017, unsecured loans availed by our Company amounted to ₹ 172.40 million. Such loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. In the event that any lender seeks a repayment of any such unsecured loan, our Company, would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

46. We do not own some of the premises where we operate.

We have licensed part of our Corporate office situated at 106-110, Shapath –III, Bodkadev, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, India from our Promoter, John Oil and Gas Limited, pursuant to a leave and license agreement. We have also obtained some properties where our offices are located, on rent. We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new offices and other infrastructure and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to move our business operations or shut down our offices during this period, we may suffer a severe disruption in our business operations, leading to delay in refurbishment of rigs, disruption with the training programme for our employees affecting our business, financial condition and results of operations. Please see section titled "*Our Business—Properties*" on page 152 for more details of the properties leased by us.

47. Our trademark and corporate logo is not registered.

Our logo is registered with the registrar of trademarks under Class 39 as classified by the Indian Trademark Act,1999. We have not registered or applied for the registration of our trademark on any other class, which may be applicable to our services. Failure to protect our trademark may prevent us from effectively enforcement of our trademark, as a result we may need to change our logo. Any infringement of our intellectual property rights could materially adversely impact our business and require us to incur costs.

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

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

Risks Related to Our Equity Shares

49. Upon completion of this Offer, our Promoter and other major pre-Offer shareholders will continue to exercise significant control over our Company, which will allow it to influence the outcome of the matters submitted to Shareholders for approval.

Our Promoters as on the date of this Draft Red Herring Prospectus own 7,312,780 Equity Shares which amounts to 39.81% and will, after the completion of this Offer, continue to own a substantial portion of our paid-up capital. Consequently, our Promoters and other major pre-Offer shareholders will continue to control us and will have the power to elect and remove our directors and therefore determine the outcome of most proposals for corporate action requiring approval of our Board of Directors or shareholders, such as proposed annual plans, revenue budgets, capital expenditure, dividend policy, transactions with related parties, or the assertion of claims against such companies and/or other companies.

The interests of our Promoters may be different from our interests or the interests of our other shareholders. Our Promoters and other major pre-issue shareholders could, by exercising their powers of control, delay or defer a change of control of our Company or a change in our capital structure, delay or defer a merger, consolidation, takeover or other business combinations involving us, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us, even if such a transaction may be beneficial to us and our other shareholders, and in such circumstances our Promoter could take decisions that may materially and adversely affect your investment in the Equity Shares.

50. The proceeds from the Offer for Sale will not be available to us.

This Offer includes an Offer for Sale of up to 1,677,744 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders. Therefore, the proceeds to the Offer for Sale shall be remitted to the Selling Shareholders and our Company will not benefit from such proceeds.

51. There is no guarantee that the Equity Shares will be listed on the BSE and the NSE in a timely manner, or at all.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and/or the NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

52. After the Offer, the price of our Equity Shares may become highly volatile, or an active trading market for our Equity Shares may not develop.

The price of our Equity Shares on the Stock Exchanges may fluctuate after the Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations; performance of our competitors; the perception in the market with respect to Oil & Gas sector; adverse media reports about us or the Indian oil field servicing sector or the Oil & Gas sector generally; 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 fiscal regulations. There has been no public market for the Equity Shares of our Company and the price of the Equity Shares may fluctuate after the Offer. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Offer, or that the price at which the Equity Shares are issued will correspond to the price at which the Equity Shares will trade in the market subsequent to this Offer.

53. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

The Offer Price of our Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process. This price will be based on factors further highlighted in the section titled "*Basis for Offer Price*" on page 105 and may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

55. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Following the Offer, our listed Equity Shares will be subject to a daily "circuit breaker" imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The stock exchanges will not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

56. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by our Company, including pursuant to the exercise of stock options under any future employee stock option, may lead the dilution of investors' shareholdings in our Company. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of this Offer, including by major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

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

In the past, we have not made dividend payments to our equity shareholders in any form. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors, and will be at the discretion of the Board of Directors. There can be no assurance that we will distribute dividends in the future.

External Risk Factors

58. A slowdown in economic growth in India or global economic instability could result in an adverse effect on our business, financial condition and results of operations

We currently operate primarily in India, which is generally viewed as a jurisdiction with a developing economy, that may not have as firmly established legal and regulatory systems as other countries, and are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the overall performance of the Indian economy, the GDP growth rate in India and the economic cycle in India. India's GDP growth was 6.8% in Fiscal 2017, decreased from 7.9% in Fiscal 2016. India's GDP is expected to grow at the rate of 7.0% from Fiscal 2018 to Fiscal 2020. (Source: World Bank; Frost & Sullivan)

In addition, according to the Monthly Economic Reports for July 2017 and 2016, respectively, the Wholesale Price Index ("**WPI**") headline inflation rate for the month of July 2017 was 1.9% as compared to 3.5% in July 2016. In periods prior to Fiscal Year 2016, India experienced a slowdown in economic growth due to a variety of factors, including unsustainably high current account deficit, capital outflows and consequent exchange rate pressures. Despite the recent signs of an economic turnaround in the Indian economy, there is no assurance that growth will not slow down again or that inflation will not increase further in the future. A slowdown in the Indian economy could adversely affect our business and our customers and contractual counterparties, especially if such a slowdown were to be continued and prolonged. In periods of high rates of inflation, our operating expenses may increase which could have an adverse effect on our cash flows and results of operations.

Generally, economic growth in India is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional or global economies, as during these periods there may be less cash in circulation and less cash-based transactions, which can reduce the demand for our services. Any decrease in the demand for our services may adversely affect our revenue, margins, cash flows and results of operations.

Further, in light of the increasing linkage of the Indian economy to other global economies, the Indian economy is increasingly influenced by economic developments and volatility in securities markets in other countries. Global slowdown of the financial markets and economies has in the past contributed to weakness in the Indian financial and economic environment. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The global credit markets have continued to experience significant volatility in recent years, which have had, and may continue to have, a significant adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. The global economic downturn led to an increased level of consumer delinquencies, lack of consumer confidence, decreased market valuations and liquidity, increased market volatility and a widespread reduction of business activity generally.

The resulting economic pressure and dampened consumer sentiment may adversely affect our business and our results of operations. A recession in the United States and other countries in the developed world and a slowdown in economic growth in markets such as China could also have an adverse effect on economic growth in India, which could in turn adversely affect our business, results of operations, cash flows and financial condition.

Other specific country risks that may have a material adverse effect on our business, financial condition and results of operations are:

- political instability, riots or other forms of civil disturbance or violence;
- war, terrorism, invasion, rebellion or revolution;
- government interventions, including expropriation or nationalisation of assets, increased protectionism and the introduction of tariffs or subsidies;
- changing fiscal and regulatory regimes;
- arbitrary or inconsistent Government action;
- inflation in local economies;
- cancellation, nullification or unenforceability of contractual rights; and
- underdeveloped industrial and economic infrastructure.

Additionally, changes in investment policies or shifts in the prevailing political climate in any of the countries in which we operate, or seek to operate, could result in the introduction of changes to Government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

Unexpected changes in these policies or regulations could have a material adverse effect on our business, financial condition and results of operations.

59. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past, and despite significantly low levels of inflation in recent periods, according to the RBI's Monetary Policy Report of April 2017, there are broad-based inflation pressures, which make the inflation outlook for Fiscal 2018 challenging. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses we might not be able to reduce our costs or increase the prices of our services at a proportional rate. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

60. Political instability or a significant change in the Government's economic liberalisation and deregulation policies could adversely affect our business and the price of our Equity Shares.

Our business and customers are primarily located in India, and we currently derive all of our revenues from operations in India and most of our assets are located in India. Consequently, our performance, market price and liquidity of our Equity Shares may be affected by changes in control, government policies, taxation, social, instability, civil unrest and other political and economic developments affecting India. The GoI has traditionally exercised, and continues to exercise, significant influence over many aspects of the economy. Government policies could adversely affect business and economic conditions in India, as well as our ability to implement our strategy and our future financial performance. Our business is also impacted by regulations and conditions in the various states in India where we operate.

Since 1991, successive Indian governments have pursued policies of economic liberalisation. The current GoI has announced that its general intention is to continue India's current economic and financial sector liberalisation and deregulation policies, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, there can be no assurance that such policies will be continued. A significant change in the GoI's policies could result in an adverse effect on our business, financial condition and results of operations. The rate of economic liberalisation could change and specific laws and policies affecting foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

61. Regional hostilities, terrorist attacks, social unrest, natural or man-made disasters and other similar threats to security and events outside our control could adversely affect our business.

Certain parts of India have experienced localised hostilities, terrorist attacks and social unrest, in particular in districts that are prone to naxalite violence and disturbances. Given the geographical locations where we operate are in the interiors of the country where historically such violence and disturbances have occurred and therefore we may have an exposure to the risks of operating in these areas. If violence and disturbances occurs or becomes more widespread in any of these locations, our ability to undertake Oil & Gas services in these locations, could become limited, which could adversely affect our business and operations.

India has, from time to time, experienced terrorist attacks, instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and have an adverse effect on our business and the price of our Equity Shares Any unexpected changes in the political, social, economic or other conditions in India, or in neighbouring countries, could also have a material adverse effect on our business, financial condition and results of operations. Further, there can be no assurance that we will not be the target of terrorist attacks in the future. Such attacks may be directed at our equipment or personnel or at assets belonging to our customers and the general population. Such attacks, or the threat of such attacks, whether or not successful, may disrupt our operations or those of our clients and the delivery of our services, result in increased costs for security and insurance and may put our assets and personnel at risk and adversely affect our business, results of operations, financial condition and prospects. Events such as these have also historically had an adverse effect on the Indian economy and may do so again in the future, which could in turn adversely affect our business, results of operations, cash flows and financial condition.

In addition, certain of our assets and business operations, are located in areas that may be impacted by natural disasters such as fires, earthquakes, water shortage, droughts and floods. Since all of our operations and workforce are located in India and there can be no assurance that we will not be affected by natural disasters that occur in India in the future. If any such event were to occur, our business could be affected due to the event itself or due to our inability to effectively manage the effects of the particular event. Potential effects include the damage to our drilling assets and physical injury to our personnel. Any disruption of our operations at any of our locations could result in a material adverse effect on our ability to fulfil our obligations under our contracts, and in turn, our business, financial condition and results of operations.

62. Our business and the price of the Equity Shares may be adversely affected by the implementation of General Anti-Avoidance Rule ("GAAR").

The GoI has also proposed provisions relating to GAAR which came into effect from April 1, 2017. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which is any arrangement the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests:

(a) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;
(b) results, in misuse, or abuse, of the provisions of the tax laws;
(c) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or
(d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee, i.e., an arrangement shall be presumed, unless it is proved to the contrary by the assessee, to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit. If GAAR provisions are invoked, then the tax authorities will have wide powers, including denial of tax benefit or a benefit under a tax treaty.

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

We are required to prepare annual and interim financial statements under Ind AS from periods beginning April 1, 2016 as required under Section 133 of the Companies Act 2013. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Previous GAAP in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 ("**Previous GAAP**"). Accordingly, the degree to which the Ind AS and Previous GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, we have presented reconciliation from Indian GAAP to Ind AS. For further details in relation to the changes to our accounting policies as well as the manner in which we prepare and present our financial statements, see section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Transition from Indian GAAP to Ind AS and its Impact on the Preparation and Presentation of the Restated Financial Statements*" on page 481. No attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Accordingly, the degree to which our financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on your level of familiarity with Indian accounting practices under Indian GAAP and Ind AS. Any reliance by persons not familiar with these accounting practices on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

64. The transition to Ind AS and the ICDS in India is very recent. Although we have transitioned to Ind AS, there is insufficient clarity on the impact of such transition on our Company in future financial periods.

The transition to Ind AS in India is very recent. There is not yet a significant body of established practice such as interpretations of the new accounting standards on which to draw in forming judgments regarding the new system's implementation and application. As a result, although we have transitioned to Ind AS, there is insufficient clarity on the impact that such transition will have on us and our financial reporting policies and practices. While we have applied the Ind AS transitional provisions included in Ind AS 101, First-Time Adoption of Indian Accounting Standards issued under the IAS Rules, we cannot assure you that there will not be further changes in the manner in which we apply our accounting policies or in the preparation and presentation of our financial statements in the future. Moreover, there is increasing competition for the small number of Ind AS experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. We may encounter further difficulties in the ongoing process of implementing and enhancing our management information systems under Ind AS reporting.

Further, the Ministry of Finance, GoI, through a notification dated March 31, 2015, required all income tax assessments in India to follow the Income Computation and Disclosure Standards (the "**ICDS**"). Subsequently, the Ministry of Finance, through press releases dated September 29, 2016, deferred the applicability of ICDS to Assessment Year 2017-2018. As a result, ICDS will have impact on computation of taxable income for Fiscals 2017 and 2018. ICDS are required to be applied in computing taxable income and payment of income taxes thereon and apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "Profits and gains of business/profession" and "Income from other sources." ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. This is the first time such specific standards have been issued for income taxes in India, and the impact of the ICDS on our tax incidence is uncertain. We cannot assure you that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

65. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under the Foreign Exchange Management Act (the "**FEMA**") and the rules thereunder. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. Additionally, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Further, limitations on foreign debt may have an adverse effect on our business, results of operations, cash flows and financial condition.

66. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such pricing guidelines or reporting requirements and falls under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or a tax clearance certificate from the Indian income tax authorities. Additionally, the GoI may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the GoI experiences extreme difficulty in stabilising the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the GoI's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure you that any required approval from the RBI or any other GoI agency can be obtained on any particular terms or at all.

67. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or 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 an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

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

We have not independently verified data obtained from industry publications and other external sources referred to in this Draft Red Herring Prospectus and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate in this Draft Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

Further, we have engaged CARE Research to produce an industry report. CARE Research has provided us with a report titled '*Oil and Gas Industry –January 2018*', which has been used for industry-related data disclosed in this

Draft Red Herring Prospectus. The report uses certain methodologies for market sizing and forecasting. We have not independently verified such data and therefore, while we believe them to be true, we can make no assurance that they are accurate, complete or reliable. Accordingly, investors should read the industry-related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decisions solely on such information. For further information, please see section titled "*Industry Overview*" on page 111 and "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 12.

Prominent Notes

1. Our Net Worth as on March 31, 2017 was ₹ 5,114.92 million and ₹ 5,925.00 million, in accordance with our Restated Standalone Financial Information and Restated Consolidated Financial Information, respectively. Our Net Worth as on September 30, 2017 was ₹ 5,045.32 million and ₹ 6,016.73 million, in accordance with our Restated Standalone Financial Information and Restated Consolidated Financial Information, respectively. Net Worth has been computed as sum of share capital and reserves less revaluation reserve and miscellaneous expenditure (to the extent not written off / adjusted). For details, please see section titled "*Financial Statements*" on page 197.

2. Our net asset value per Equity Share was ₹ 278.48 and ₹ 322.58 as at March 31, 2017, as per our Restated Standalone Financial Information and Restated Consolidated Financial Information, respectively. Our net asset value per Equity Share was ₹ 274.69 and ₹ 327.58 as at September 30, 2017, as per our Restated Standalone Financial Information and Restated Consolidated Financial Information, respectively. Net asset value per Equity Share has been calculated as the net worth excluding revaluation reserve and preference shares capital at the end of the year/period divided by total number of equity shares outstanding at the end of the year/ period. For details, please see the "*Financial Statements*" on page 197.

3. The average cost of acquisition per Equity Share by our Promoters, Maheshkumar N. Vyas, Dilipkumar N. Vyas and John Oil and Gas Limited is ₹ 8.33, ₹ 7.31 and ₹ 96.53. For further details, please see section titled "*Capital Structure*" on page 83.

4. Except as disclosed in the sub section titled "*Related Party Transactions*" on page 504, there have been no transactions between our Company, our Subsidiaries, our Promoter and Promoter Group Companies or KMPs, that are related parties as per Ind AS 24, during the last year. The details of transactions by our Company with our Promoters and Promoter Group Companies or KMPs, that are 'related parties' as per Ind AS 24, during Fiscal 2017, including the nature and cumulative value of the transactions, on a standalone basis, are as follows:

(*₹ in million*)

Sr. No.	Name of the related party and nature of transactions	Nature of relationship	March 31, 2017
1.	**Synergy Drilling Fluids Private Limited**	Subsidiary	
	Loan repaid		-
	Closing balance - debit net: as at March 31, 2017 - ₹ Nil		
2.	**John Energy International DMCC**	Subsidiary	
	Equipment rentals		489.93
	Loan given		-
	Loan repaid		-
	Rig movement expenses		-
	Reimbursement toward expenses		-
	Interest on loan		2.13
	Performance bank guarantee fees		9.97
	Reimbursement toward expenses		-
	Reimbursement towards asset		0.66
	Corporate guarantee given to banks for credit facilities taken		1,329.19

Sr. No.	Name of the related party and nature of transactions	Nature of relationship	March 31, 2017
	Closing balance - (credit) (net): as at March 31, 2017- ₹ (529.94 Million)		
3.	**John Oil and Gas Limited**	Enterprise over which key management person and his relatives have significant influence	
	Rent paid		6.90
	Vehicle hire charges		-
	Reimbursement toward expenses		0.03
	Dividend on equity shares		9.71
	Dividend on prefrence shares		-
	Corporate guarantee given to banks for credit facilities taken (Guarantees given jointly with KMPs and Mrs. Rasilaben Vyas)		1,631.19
	Closing balance - (credit) (net): as at 31st March, 2017- ₹ (16.93 Million		
4.	**Maheshkumar N. Vyas**	Key Management Person	
	Managerial remuneration		34.64
	Loan taken		10.00
	Loan Repaid		10.00
	Interest on loan		12.08
	Dividend on equity shares		16.36
	Dividend on preference shares		-
	Personal guarantee given to banks for credit facilities taken (Guarantees given jointly with KMPs, M/s. John Oil and Gas Ltd and Mrs. Rasilaben Vyas)		2,080.04
	Personal guarantee given to bank for credit facilities taken by WOS (Guarantees given jointly with KMPs)		1,329.19
	Closing balance - (credit): as at March 31, 2017- ₹ (135.65 Million)		
5.	**Dilipkumar N. Vyas**	Key Management Person	
	Managerial remuneration		12.00
	Interest on loan		3.35
	Dividend on equity shares		5.02
	Dividend on preference shares		-
	Personal guarantee given to banks for credit facilities taken (Guarantees given jointly with KMPs, M/s. John Oil and Gas Ltd and Mrs. Rasilaben Vyas)		2,042.06
	Personal guarantee given to bank for credit facilities taken by WOS (Guarantees given jointly with KMPs)		1,329.19
	Closing balance - (credit): as at March 31, 2017- ₹ (26.72 Million)		
6.	**Chiragkumar Vyas**	Key Management Person	
	Managerial remuneration		2.10
	Interest on loan		2.95
	Dividend on equity shares		4.00
	Dividend on prefrence shares		-
	Personal guarantee given to banks for credit facilities taken (Guarantees given jointly with KMPs, M/s. John Oil and Gas Ltd and Mrs. Rasilaben Vyas)		1,617.35
	Personal guarantee given to bank for credit facilities taken by WOS (Guarantees given jointly with KMPs)		1,329.19
	Closing balance - (credit): as at 31st March, 2017- ₹ (23.23 Million)		
7.	**Chintankumar Vyas**	Relative of Key Management Person	
	Advance repaid		-
	Salaries, bonus and allowances (for part of the year)		-
	Closing balance - debit: as at March 31, 2017- ₹ Nil		

Sr. No.	Name of the related party and nature of transactions	Nature of relationship	March 31, 2017
8.	**Rajkumar Vyas**	Relative of Key Management Person	
	Salaries, bonus and allowances		0.46
	Closing balance - (credit): as at March 31, 2017- ₹ (0.04 Million)		
9.	**Ruchitkumar Vyas**	Relative of Key Management Person	
	Salaries, bonus and allowances		0.84
	Closing balance - (credit): as at March 31, 2017 - ₹ (0.08 Million)		
10.	**Rasilaben Vyas**	Relative of Key Management Person	
	Dividend on equity shares		1.91
	Dividend on preference shares		-
	Personal guarantee given to banks for credit facilities taken (Guarantees given jointly with KMPs and M/s. John Oil and Gas Limited)		1,617.35
11.	**Abhaben Vyas**	Relative of Key Management Person	
	Dividend on equity shares		0.70
	Dividend on preference shares		-
12.	**Natvarlal Vyas**	Relative of Key Management Person	
	Dividend on equity shares		1.51
	Dividend on preference shares		-

Note:

(i) Remuneration to key managerial personnel and relatives of key managerial personnel excludes contribution to gratuity as the incremental liability has been accounted for by the Company as a whole.

(ii) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.

(iii) All related party contracts / arrangements have been entered on arms' length basis.

(iv) Short term employee benefits paid to key managerial personnel and relatives of key managerial personnel for the year was ₹ 50.42 Million.

For details please see *"Financial Statements"* on page 197.

5. During the period commencing from six months immediately preceding the date of filing of this Draft Red Herring Prospectus through the date of this Draft Red Herring Prospectus, no financing arrangements existed pursuant to which our Promoter, directors of our Promoter, Promoter Group, Directors or their relatives have financed the purchase of Equity Shares by any other person.

6. Investors may contact any of the Book Running Lead Managers as well as the Registrar to the Offer for any complaint pertaining to the Offer. For details of the Book Running Lead Managers and the Registrar to the Offer, please see "*General Information*" on page 74.

7. All grievances, in relation to the ASBA process, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For information on changes in name, object clause of our MoA and our Registered Office, please see section titled "*History and Corporate Structure*" beginning on page 158.

SECTION III: INTRODUCTION

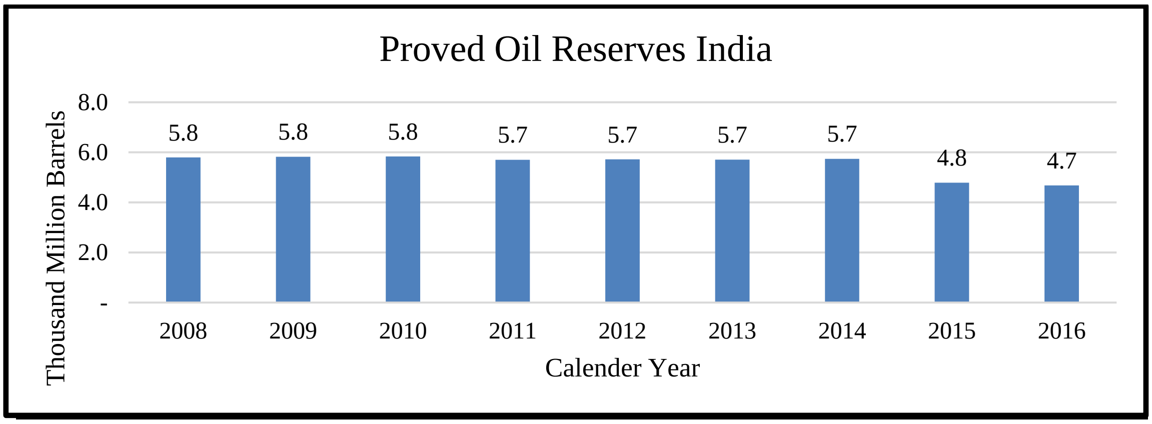
SUMMARY OF INDUSTRY

Overview of the Indian Oil & Gas Sector

Crude oil

Reserves in India

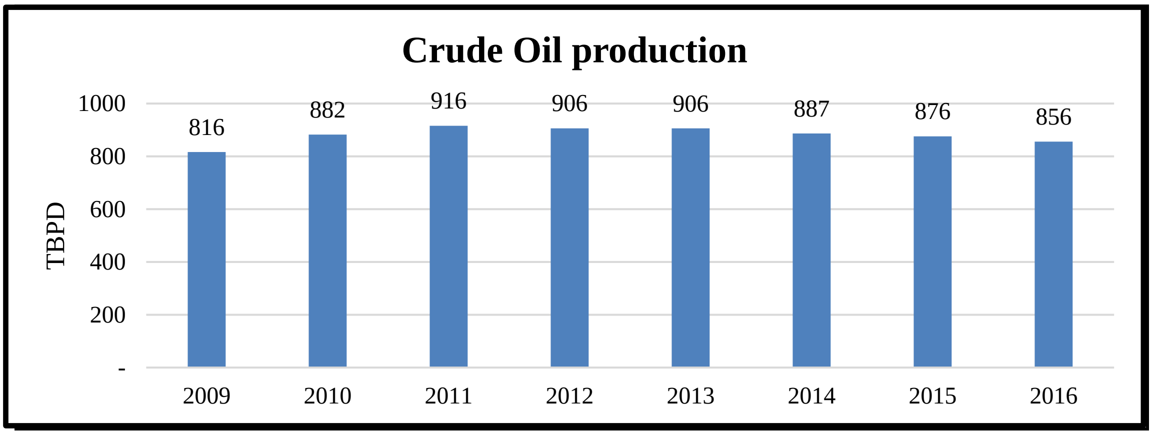
According to Ministry of Petroleum and Natural Gas (MoPNG), India holds nearly 4.7 billion barrels of total recoverable crude oil reserve as on December 2016. It is the second largest reserves in Asia Pacific region forming almost 10% of the total proved reserves of the region. At current rate of production India will use all of its reserve in next 14.9 years.



Source: BP statistical review of World Energy

Production in India

Crude oil production in India can be dated back to 1890 when the Digboi field came on-stream in Assam; however, any meaningful oil production was realized after the discovery of a giant field - Mumbai High by ONGC in 1974. This discovery, along with subsequent huge oil and gas discoveries in Western offshore provided the much-needed impetus to the development of oil and gas industry.



Source: BP statistical review of World Energy

India's crude oil supply is majorly contributed by ONGC, Oil India and Cairn India. As of FY17, share of ONGC in total domestic oil supply stood at around 62 per cent and share of Oil stood at around 9 per cent.

In FY17, The total crude oil production stood at 36 million tonnes (mt), registering a slight decline of 2.4% from the previous year.

State-wise Crude Oil Production Trends (Thousand Metric Tonnes)							
State/Source	**2009-10**	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**
Onshore							
Andhra Pradesh	303	305	305	295	297	254	294.79
Arunachal Pradesh	129	116	118	120	111	68.88	57.33
Assam	4,743	4,724	5,025	4,863	4,709	4473	4185.13
Gujarat	5,962	5,904	5,778	5,332	5,061	4653	4460.92
Rajasthan	447	5,149	6,553	8,593	9,180	8848	8601.59
Tamil Nadu	238	233	246	238	226	241	260.99
Total Onshore	**11,822**	**16,431**	**18,025**	**19,441**	**19,854**	**18537.88**	**17860.75**
Share of PSUs	11,089	11,031	11,231	10,605	10,117	9482	9050.98
Share of Private/JV	733	5,400	6,794	8,836	9413	9056	8809.78
Offshore							
Share of PSUs	17,154	16,972	16,328	15,617	15541	16194	16542.95
Share of Private/JV	4,529	4,282	3,733	2,804	2663	2729	2546.2
Total Offshore	**21,683**	**21,254**	**20,061**	**18,421**	**18204**	**18923**	**19089.15**
Grand Total	**33,505**	**37,685**	**38,086**	**37,862**	**37788**	**37460.88**	**36949.9**

Source: DGH

The table shows that in FY16, majority of the oil and gas production is from Rajasthan followed by Gujarat and Assam. These three states constitute around 96.5% of the total Indian production.

Consumption in India

The demand for petroleum products has been increasing over few years. In FY17, India registered 5% growth in the demand of petroleum products. The growth rate was however less than the previous year 11%. The demand of the products stood at 194.2mt as against 184. mt last year. The country's dependence on the crude oil imports has also jumped to 80% to meet the growing demand. (Petrol and diesel, which are primarily transportation fuels, form more than 50 per cent of total petroleum product consumption.)

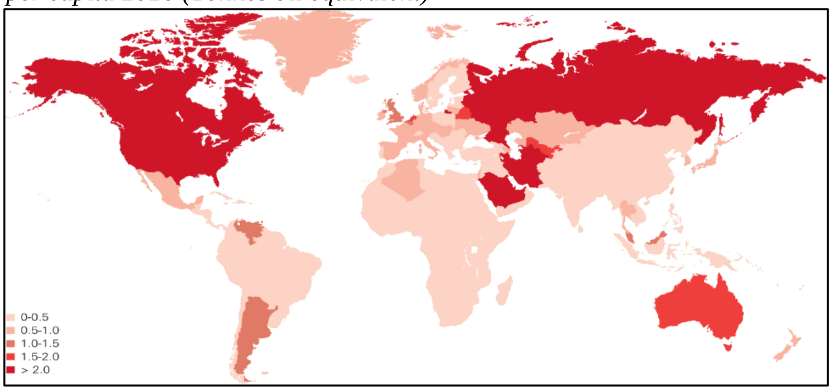
India has always been crude deficit country, with demand exceeding the indigenous supply by a wide margin. The stagnating indigenous production of crude oil has not been sufficient to cater to India's increasing energy demand to sustain the economic growth.

Natural gas

Reserves

Global proved gas reserves remained range bound in the period of last 10 years. Middle East and Europe & Eurasia regions together account for about 75 per cent of the total global proved reserves. Total proved reserves at end of CY16 are sufficient to meet global production for next 44 years. Middle East region showed the highest R/P ratio of 124.5 years, followed by Africa with nearly 68 years. Europe & Eurasia, the world's largest gas consumer is expected to use all its proved oil reserves in another 56 years whereas North America, the world's second largest gas consumer is expected to use all its proved gas reserves over the next 12 years.

Gas consumption per capita 2016 (Tonnes oil equivalent)



Source: *BP Statistical Review of World Energy 2017*

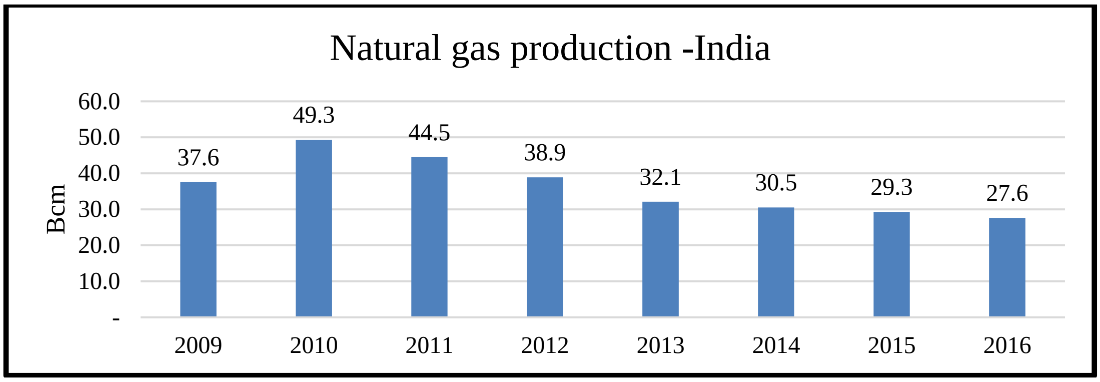
Consumption in India

Owing to increased availability and usage, natural gas consumption has increased considerably over the recent years. In India, It continues to be a part of India's energy mix, accounting for only 5-6 percent. In CY2016, The consumption however increased to 55,534 mmscm in comparison to 52,448 mmscm in the corresponding period primarily due to higher consumption of liquefied Natural gas (LNG). Globally, Europe and Eurasia remains the largest consumer, having a share of around 29% of the total consumption of Natural gas and Asia pacific follows with the total Gas consumption for 722.5 bcm and holds 20.4% of the consumption of the world.

Natural Gas

Production in India

In India, natural gas demand has always surpassed the available supply resulting in perennial gas deficit situation. In FY16, natural gas supply was about 148 mmscmd, of which close to 74 per cent was from domestic fields and the rest was sourced through LNG imports. The predominant consumers of natural gas were power and fertilizer sectors; demand from smaller industrial units, automobiles, households and commercial establishments also continued to grow.



Source: BP Statistical Review of World Energy 2017

State Wise Production 2017-18 (Month-wise)*

(In MMSCM)

State	April	May	June	July	August	September	October	November
I) Gross Production :								
A) Onshore:								
(i) Assam / Arunachal Pradesh	265.26	269.55	263.03	281.26	293.04	278.89	273.31	265.51
(ii) Rajasthan	117.82	117.39	120.38	117.22	119.55	117.29	126.57	115.58
(iii) Gujarat	140.23	144.74	139.91	140.93	139.80	133.51	137.26	130.68
(iv) Tamil Nadu	96.64	93.40	99.95	104.04	103.38	100.91	103.62	100.97
(v) Andhra Pradesh	72.16	72.90	70.90	76.52	77.55	77.88	81.08	77.68
(vi) Tripura	121.16	130.58	121.15	130.29	96.68	104.25	126.44	123.83
(vii) West Bengal, MP, Jharkhand (CBM)	46.26	48.47	50.22	59.64	65.25	63.58	68.03	68.64
Onshore Total (A)	**813.27**	**828.56**	**815.32**	**850.28**	**830.01**	**812.74**	**848.27**	**814.24**
B) Offshore:	1674.11	1891.58	1890.20	1948.82	1877.68	1846.92	1892.12	1831.99
Total (A+B)	**2533.64**	**2768.61**	**2755.74**	**2858.74**	**2772.94**	**2723.23**	**2808.42**	**2714.87**
II) Net Availability[1]	**2455.69**	**2697.11**	**2674.37**	**2795.96**	**2678.46**	**2652.53**	**2737.63**	**2642.46**

** Source: ONGC , OIL & DGH*
Note: 1 Net Availability denotes gross production less flare and loss by gas producing companies
MMSCM : Million Standard Cubic Meter

The month wise total gas produced in the year 2017-18 has been shown in the table. The production in Assam and Arunachal Pradesh stands the highest at 2189.86 MMSCM followed by Gujarat (1107.05 MMSCM), Tripura (954.38 MMSCM), Rajasthan (951.81 MMSCM), Tamil Nadu (802.91 MMSCM) and Andhra Pradesh (606.68 MMSCM).

Deficit Scenario to Continue: India's natural gas market is characterized by a supply deficit due to low domestic gas production and inadequate gas distribution infrastructure. The domestic demand for natural gas has outpaced domestic supply, resulting in increased dependency on LNG. According to the ministry of petroleum and natural gas (MoPNG), the demand for natural gas is expected to increase from 494 mmscmd in FY18 to 552mmscmd by FY20. The prospects of LNG demand in India remains good over the medium to long term, due to the limited domestic supply. Although the domestic production is expected to increase over the next five to 10 year, it is expected to stay significantly lower than the demand potential.

Gas Demand(mmscmd)	2014-15	2015-16	2016-17
Power	225	243	261
Fertilizer	113	113	113
CGD	47	50	53
Industrial	28	32	35
Petrochemical/Refineries	72	76	80
Sponge iron	9	9	10
Total Demand	**494**	**523**	**552**

Source: MoPNG

Govt Policies

In the 1990s, GoI, plagued with abysmal foreign exchange reserves and growing dependence on oil imports, embarked upon a series of reforms in the industry. The reforms were aimed at attracting private investment by deregulating the industry, thereby reducing India's dependence on oil imports. In 1992 and 1993, the government offered 69 small and medium-sized oil and gas fields, both onshore and offshore, under the pre-NELP rounds to private players.

Oil & Gas field service industry in India

E&P is a complex process involving specialized technology at every step; starting from identification of oil reservoirs through geological field work to geological modelling, seismic study and finally exploration through drilling. Oil is then extracted with production equipment and transported. Thus, the role of service providers is at every stage of E&P.

Operations of upstream service provider can be broadly classified as:

a. Drilling and rig providers

Drilling companies help in drilling and extracting oil and gas. These companies also provide onshore and offshore drilling equipment for conventional, unconventional and deepwater oil exploration. Due to the technical nature and complexities involved in; drilling activities require highly skilled manpower. These companies act as a contractor for providing drilling equipments and rigs to upstream companies and also provide manpower requirements.

b. Oilfield service providers

Oilfield service companies assist the drilling companies in setting up oil and gas wells by providing services relating to repair and maintenance of drilling equipment. These services also include seismic study and directional services.

The growth of this industry is dependent on the growth of E&P activities. Oil prices and inventory are vital factors to E& P activities and this directly affects the revenues of oil service companies that provide E&P companies with equipment and allied services.

Drilling of wells

Oil companies usually hire a drilling company to drill their wells. The drilling contractor provides a drilling rig and crew. These drilling are contracted at a day rate which are generally determined by the rated horsepower of a rig which also dictates how deep the rig can drill.

A state wise exploratory/ development wells drilled by ONGC, Oil India Limited has been shown which is further bifurcated into Onshore and offshore area wise development.

E&P spending in India

Historically, the investments in the sector were constrained due to number of factors such as regulatory constraints, lack of timely clearances from government agencies, inadequate investment-linked incentives, ambiguity on under recovery sharing pattern and relatively low pricing of gas. However, with the growing importance of oil and gas segment as a vital sector and directly contributing to energy security of the country, the government has gradually moved towards investor friendly and liberalized policies and reforms in the sector.

In a major policy drive to give a boost to petroleum and hydrocarbon sector, the government has unveiled HELP which provides a uniform licensing system to cover all hydrocarbons such as oil, gas, coal bed methane etc under a single licensing framework. This initiative from GoI has led to increase in demand for upstream services in India. Increase in private participation has led to huge demand creation for onshore and offshore drilling, seismic services and offshore support services.

Capital Expenditure of major PSU upstream oil companies

(Rs Crore)

Company	2014-15	2015-16^{P}	2016-17^{P}	2017-18	
				Target*	Actual (April- Oct)#
ONGC Ltd	29997	29502	28010	29968	22173
ONGC Videsh Limited	7172	6783	18360	7088	3226
Oil India Ltd	3774	3550	10514	9252	6586
Total	40943	39835	56884	46308	31985

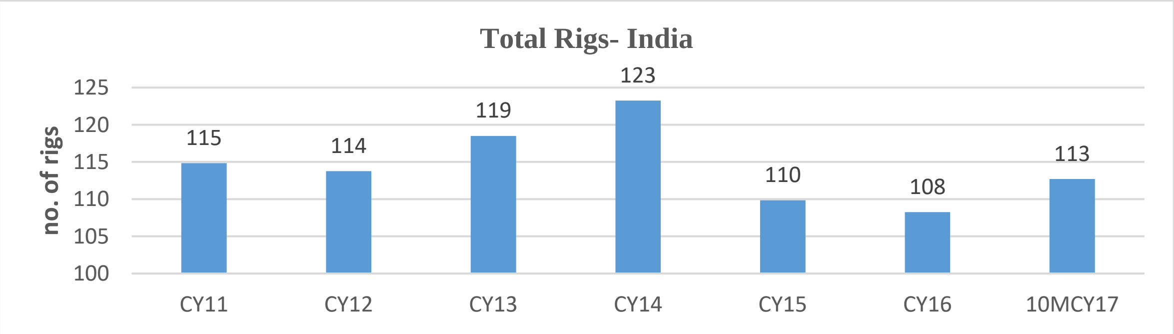
Source: DGH
**Targets are for full financial year 2017-18(both plan and Non plan)*
 # Provisional and includes expenditure on JV/ Subsidiaries

Rig count in India

According to the Baker Hughes International Rig count India has an average of 108 rigs in CY16. Majority of the rigs are deployed onshore (80) and the rest offshore (28). The count of the number of rigs from the past calendar year has seen a slight decrease from 110 in CY15.

Historically more than 80 per cent of these rigs were deployed by ONGC while in the past few years, share of private/JV players have increased on account of rising participation in E&P activities.

Rig count – India



Source :Baker Hughes

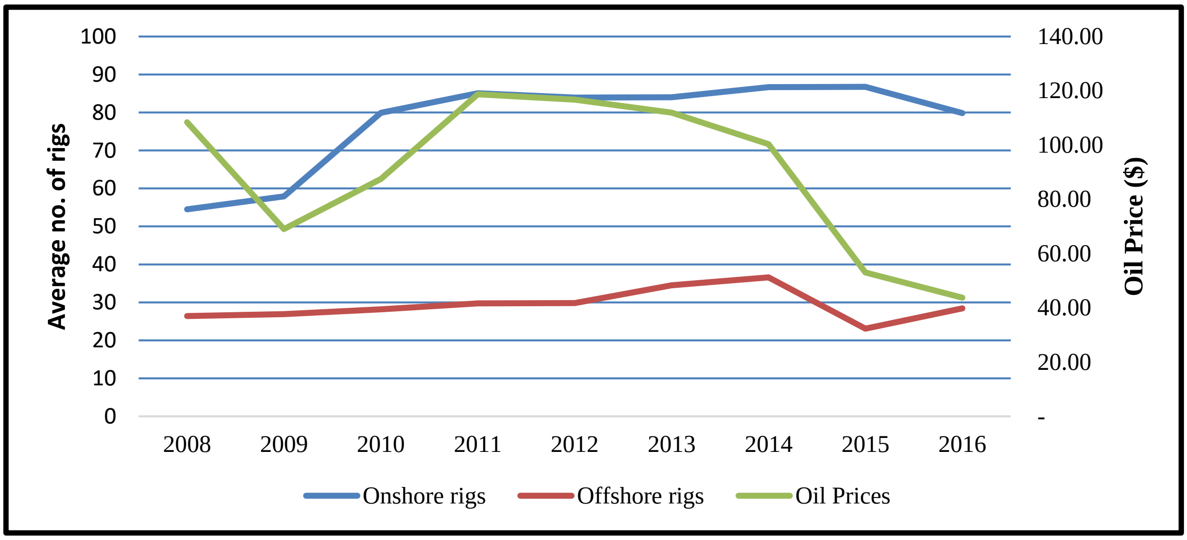
Elasticity of Rigs with Oil prices

In India, the Average number of rigs has changed with the passage of time from a total of 81 rigs (Onshore: 55 rigs and Offshore: 26 rigs) to 108 rigs (Onshore: 80 rigs and offshore: 28 rigs) in 2016. The change in the number of rigs has been with respect to change in the oil prices is tabulated below

India	2008	2009	2010	2011	2012	2013	2014	2015	2016	10CY17
Onshore rigs	55	58	80	85	84	84	87	87	80	80
Offshore rigs	26	27	28	30	30	35	37	23	28	32

Oil Prices ($)	108.42	68.99	87.50	118.71	116.73	111.95	100.31	53.05	43.73	52.38

Source: BP statistical Review of world energy and Baker Hughes International Rig Count data



Source: BP statistical Review of world energy and Baker Hughes International Rig Count data

As shown, the number of the rigs from CY08 to CY16, both onshore and offshore have increased. The change in the number of onshore rigs is greater as compared to the number of the offshore rigs.

However, India being energy deficit country where 80% of the crude is imported, would continue to focus on E&P activity, as a result demand of rigs is expected to stay, though with increased number of availability of rigs coupled with competitive pricing.

Market Share of Rigs

The total number of rigs in the 10MCY17 stood at 113. Among these 113 rigs John Energy Limited holds 33 rigs while Deep Industries Limited and Quippo Oil and Gas limited holds 12 rigs and 6 rigs respectively. The remaining rigs are held by other players viz. GTC oil field services limited (7), Simplex Infrastructure Limited etc.

Also, the one of the major player i.e. SVOGL oil and gas limited (formerly Shiv Vani Oil and Gas) has emptied the market space after the bankruptcy in H1 FY2018. The company was earlier banned by ONGC. This has provided enhanced opportunity to the existing players to capture the market share of SVOGL.

Gas Dehydration Services

Regulatory requirement of gas dehydration

In 2014, a fire broke out following a blast in Gas Authority of India Limited (GAIL) underground gas Pipeline at Nagaram, East Godavari district in East Godavari district of Andhra Pradesh, India. The accident took place near Tatipaka refinery of Oil and Natural Gas Corporation (ONGC).

Consequently, regulations have been made stringent with respect to gas transmission. Accordingly, it has made it mandatory to have the gas dehydrated before it can be inserted to the gas pipelines. As the same can be outsourced externally, players having expertise in dehydration will have positive impact.
In addition, it is expected that companies to ramp up gas production. Therefore, it offers huge opportunity to companies involved in providing upstream onshore gas services.

Oligopolistic nature of industry

Industry is characterized with limited players leading to oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants.

Stringent monitoring / regulations with respect to performance

One of the player in the Gas Dehydration segment viz. Deep Industries Limited, received a show-cause notice from Oil and Natural Gas Corporation Limited pertaining to certain allegations made in respect of Gas Dehydration contract.

Gas Compression Services

In India, the gas compression business is at nascent stage and Oil and gas producers are starting to outsource their compression requirements to focus on their core business. The technical expertise and the capital intensive nature of the industry act as an entry barrier.

Outlook/Conclusions

Natural Gas is emerging to be the gas of the future due to its clean burning properties and because is impact on the environment is not harmful. India plans to increase its gas usage in the energy mix to 15% from the current 6.5%. The world average of gas use in the total energy consumption is 24%. Domestic natural gas production till FY2016-17 was on a decline due to less than expected output from the KG- basin and due to ageing wells. But in the current financial year, the output till the April-August period has been higher by 5% as compared to the corresponding cumulative period in the previous financial year, FY 2016-17.

CARE Ratings estimates the production of domestic natural gas to rise in the coming few years, reaching a level of 36 BCM in the financial year 2020.

The Government is working towards India to become a natural gas based economy and is working to elevate the domestic production of the fuel.

Rise in production would be supported with the amount of investments the Exploration and Production segment has captured. As per the Ministry of Oil and Gas, in the next 10 years there will be a scope for $300 billion worth of Hydrocarbons projects in India.

- Reliance Industries Ltd (RIL), along with its partner BP plc, has decided to invest US$ 6 billion for the development of new R-series gas fields in the KG-D6 block.

- Oil and Natural Gas Corporation (ONGC) plans to invest US$ 11 billion in exploration and development of blocks in the Krishna Godavari (KG)basin, which is expected to increase gas production by around 30 per cent over the next three-four years.

- Larsen & Toubro's (L&T) subsidiary, L&T Hydrocarbon Engineering has bagged an order relating to Oil and Natural Gas Corporation's (ONGC) Neelam Re-Development and B173AC projects worth Rs 1,656 crore (US$ 257 million) which involves building four new platforms, a 32 kilometre pipeline and modification work on existing platforms in the India's western off shore basin, Neelam Field. The project is expected to be completed by 2019 and would result in incremental gain of 2.76 million ton crude oil and 4.786 BCM gas until 2034-35.

- ONGC has signed an agreement with the Government of Andhra Pradesh to invest around Rs 78,000 crore (US$ 11.7 billion) in the Krishna Godavari basin for producing hydrocarbons by FY 2021-22.

- Government of India plans to make huge investment for the development of domestic gas fields in India in the next 5-7 years.

- US Trade and Development Agency (USTDA) has awarded a grant to Prabha Energy Private Limited (PEPL) a private company to specialise in exploration and production of CBM. PEPL has also selected Advanced Resources International (A US firm) to carry out a feasibility study for CBM production enhancement. This would benefit in increasing the prospects and production levels under CBM basins.

ONGC has also made hydrocarbon discoveries to the west of its Mumbai High offshore discoveries which is located 10kms west of its Mumbai High basin and has found the first hydrocarbon proof in Kutch of about 29.87mt of reserves.

Natural Gas satisfies most of the requirements for fuel in a modern day industrial society, being efficient, non-polluting and relatively economical. The periodic uncertainties and volatility in both the price and supply of oil have also helped Natural Gas emerge as a major fuel in the energy basket across countries.

CARE Ratings predicts the demand of Natural Gas to reach the levels of 57.4BCM- 57.6BCM by 2020, at a CAGR of 5.1%.

SUMMARY OF BUSINESS

Overview

We are one of India's leading private onshore Oil & Gas service providers catering to upstream and midstream players in India and overseas. Our service offerings include land-based drilling, well completion services, workover drilling, integrated contract services, gas compression services and gas processing services, including gas dehydration services to the companies engaged in the onshore exploration, development and production of Oil & Gas including NOCs and private sector E&P players.

As on December 31, 2017, we own a fleet of 34 rigs comprising of 19 Drilling Rigs and 15 Workover Rigs. Over the years we have enhanced our capabilities with addition of advanced onshore drilling rigs of higher power, configuration and real-time data monitoring capabilities. We currently own 7 rigs with capacities above 1,000 HP which are capable of drilling depths of 5,000 meters and beyond. Our Rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling.

We also offer integrated contract services to upstream players whereby we bundle various services like including drilling fluid services, mug loggings services, wire line logging services, cementing services, casing services, well head completion services, surface facility services, direction drilling services with drilling and workover services. We have also bundled our services with the integrated services offered by other contractors to the upstream players.

We also offer midstream services i.e. natural gas compression services and natural gas dehydration services to players, engaged in the production and transportation of natural gas in India. We own five gas compressor units and we have been awarded various natural gas compression contracts with various public and private sector oil and gas companies. We have also forayed into the gas dehydration business. This is a relatively new business segment in India, primarily triggered due to the gas leakage incident that occurred in GAIL's KG Basin pipeline in the East Godavari district of Andhra Pradesh on June 27, 2014. As a consequence of this incident, PNGRB has made it mandatory to dehydrate natural gas before mounting it in the pipelines. We currently own one gas dehydration package and have been awarded a gas dehydration contract at Odalaveru Onshore Terminal in Andhra Pradesh.

We have more than two decades of experience in providing onshore Oil & Gas contract services across various geographies in India, including Gujarat and Rajasthan in the west, Himalayan mountain range in the north, Madhya Pradesh in the central India, Tamil Nadu and Andhra Pradesh in the south, and Assam, Arunachal Pradesh, Tripura and West Bengal in the east of India. We have experience of operating in difficult and technically challenging environments viz., desert, eco fragile environments, mountain ranges and sub-zero conditions. We have demonstrated a successful track record which includes more than 1,000 days of operation of a rig with zero LTI for 1,096 days in Fiscals 2009 to 2012.

We have a track record of executing projects overseas and have completed projects in Kazakhstan, Uganda and Algeria. We have successfully demonstrated our capability to execute contracts overseas are prequalified to undertake projects in various countries including being on the "Approved Vendor List" for Kuwait Oil Company Limited (*Source: CARE Report*). We are also a registered member of the International Association of Drilling Contractors ("**IADC**"), which represents the worldwide Oil & Gas drilling industry.

We own a central warehousing facility which includes rig maintenance facilities and a multi-functional workshop, located at Jagudan, Ahmedabad-Mehsana Highway, Gujarat. This workshop houses a repairing and overhauling station where we undertake in-house maintenance and repair jobs of rigs, a fabrication / refurbishment station, a centralized chemical yard and a consumables warehouse to stock the assets and consumables. We have an in-house training center at Jagudan, Ahmedabad-Mehsana Highway, Gujarat, which is equipped for providing detailed technical and management training sessions to our employees and to impart knowhow about the latest improvements in processes and technology in relation to our activities. We have also established a preventive maintenance system which is linked with ERP to ensure timely alerts to monitor equipment maintenance based on their usage, from time to time, thereby reducing downtime on the rigs.

For the Fiscals, 2015, 2016 and 2017, our restated consolidated total income was ₹ 5,148.00 million, ₹5,651.05 million and ₹ 5,817.29 million, respectively, growing at a CAGR of 6.30% between Fiscal 2015 and 2017. On a consolidated basis, our EBITDA for Fiscals 2015, 2016 and 2017 was ₹ 1,507.51 million, ₹ 1,852.54 million and

₹ 2,138.78 million, respectively. Our restated consolidated profit after tax was ₹ 336.30 million, ₹ 290.53 million and ₹ 713.56 million Fiscals, 2015, 2016 and 2017, respectively, growing at a CAGR of 45.66% between Fiscal 2015 and 2017.

Our restated consolidated total income for the six months period ended September 30, 2017 was ₹ 2,311.99 million. On a consolidated basis, our restated consolidated EBITDA for the six months period ended September 30, 2017 was ₹ 729.79 million. Our consolidated restated profit after tax for the six months period ended September 30, 2017 was ₹ 163.31 million.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

One of the leading Oil & Gas service providers with focus on upstream services

We believe we are one of India's leading private onshore Oil & Gas service providers catering to upstream and midstream players in India and overseas. With our long-standing relationship with major NOCs and private E&P players, established track record, we are positioned to benefit from India's onshore E&P potential. While India's energy demand has been growing at a rapid pace, energy supply has not kept pace with the demand. To meet India's burgeoning domestic energy demand and reduce import dependency, significant level of exploration, development and production activities are expected to be undertaken in India. During past few years, E&P activities have gained momentum with upstream companies incurring more capex. We believe rise in production of Oil & Gas, would be supported with the amount of investments the exploration and production segment has captured. As per the Ministry of Petroleum and Natural Gas, in the next 10 years there will be a scope for $300 billion worth of hydrocarbons projects in India. We believe that we are well positioned to benefit from the Indian onshore E&P potential.

Strong project execution capabilities and significant equipment base suited to diverse and challenging operating conditions

We believe we have one of the largest rig fleet in private sector in India for onshore drilling / workover activities. Out of 34 Rigs that we own, 19 are Drilling Rigs and 15 are Workover Rigs. Our drilling Rigs with capacities are capable of drilling depths from about 2,000 meters to 6,000 meters. Over the years we have enhanced our drilling capabilities with addition of advanced onshore drilling rigs of higher power and configuration, which can be deployed at relatively higher day rates. Higher complexity drilling (deeper targets and horizontal wells) requires rigs of higher power and configuration. We currently own 7 rigs with capacities above 1,000 HP which are ideal for deeper prospect well drilling and drilling in conditions of higher pressure and higher temperature conditions.

Our rigs are capable of drilling in diverse and challenging environmental conditions and suit the requirements of E&P operators. We have experience of drilling 'High Pressure High Temperature Wells' up to a depth of 4,500 meters and up to 10,000 PSI. Our rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling, enabling us to venture into shale gas exploration activities, which we believe have significant growth potential. We have historically operated our rigs in eco-sensitive regions, sub-zero temperatures, and harsh desert conditions. We believe owners and operators of Rigs with specifications that meet the requirements of E&P players in technically challenging and remote production projects will have competitive edge in terms of utilization rates and profitability.

Over the years we have transformed our rig fleet to include higher power and technically advanced rigs. We have more than doubled our rig fleet since 2005 growing steadily and prudently acquiring rigs without overleveraging. While our Company has focused on acquisition of modern medium and deeper prospect well drilling and deep workover Rigs in the last five years, we have also strategically taken advantage of consolidation in the onshore Oil & Gas service sector in India and acquired pre-owned rigs which met the technical requirements of our customers and were available for reasonable value. We have also refurbished some of the recently acquired rigs to meet with the technical specifications that meet the requirements of E&P players. We believe this approach provides our Company distinct advantage of maintaining a sizable fleet without overleveraging the Company.

We also own five gas compression packages and have supplied, erected and commissioned gas compressor services comprising with total compression capacity ranging from 100,000 to 500,000 SCMD over the last 15 years. India's midstream infrastructure is relatively underdeveloped. It has a transmission pipeline network of

16,150 km as of March 31, 2017 with a design capacity of around 383.81 mmscmd (for major gas pipelines) (*Source: "Ready Reckoner," Petroleum Planning and Analysis Cell, GoI, June 2017*). GOI has been promoting the development of a pan-India gas grid, through various planned projects. Out of these planned projects, the PNGRB has authorized the construction of 13,821 km of pipeline projects, which are under various stages of development. As an early entrant to the gas compression business, we are in a position to take advantage of the proposed development in the midstream sector. Further, with PNGRB making it mandatory to dehydrate natural gas before mounting to the pipelines, we believe that our experience in the gas compression services business provide us with a significant competitive advantage over newer players entering this segment. In India, the gas compression business is at nascent stage and Oil and gas producers are starting to outsource their compression requirements to focus on their core business. The technical expertise and the capital intensive nature of the industry act as an entry barrier. Industry is characterized with limited players leading to oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants.

Established relationships with major upstream players

With over two decades of our operations we have established a track record with major upstream players in India. Our clientele in India comprise of NOCs and private sector E&P players. In Fiscal 2017, share of one of our largest customer in total revenue stood at 61.50%. Our top three customers accounted for 91.32%, 92.38%, 86.25% and 84.17% of our total consolidated revenue from operations in the six months period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

We obtain our contracts through a competitive bidding process. In selecting contractors for drilling and workover activities, clients generally prefer the contractors having experience, technical ability, past performance, reputation for quality, safety record, financial strength and the size of previous contracts in similar projects, although the price competitiveness is also an important selection criterion. We believe that our ability to maintain our relationships with, and to win repeat business from, our existing clients has been critical to our growth and stability of cash flows.

Most E&P players undertake a pre-qualification process for service providers and only consider players who have completed a pre-qualification process eligible to participate in tenders floated by E&P operators. We believe our track record and prequalification with these NOCs and independent E&P operators both in India and overseas offer us competitive edge in winning contracts. Further, most of the E&P operators' pre-qualification signifies our eligibility to participate in tenders floated by E&P operators.

Experience in executing contracts outside of India

Over the last few years we have made conscious efforts to diversify our client base and gain access to new markets with high growth potential for our service offerings. We forayed in overseas markets in 2006 in Kazakhstan. We also have experience of executing projects in Uganda and Algeria. We are on the "Approved Vendor List" for KOC (*Source: CARE Report*). Our pre-qualification signifies our eligibility to participate in tenders floated by E&P operators and we believe we are well positioned to capitalize on the opportunities presented by the overseas markets, especially in the MENA region. We are a registered member of the International Association of Drilling Contractors ("**IADC**"), which represents the worldwide Oil & Gas drilling industry.

Track record of operating in varied conditions and with focus on quality and high operating standards

With over two decades of our operations, we have gained varied experience both in India and overseas in providing onshore field services in the Oil & Gas upstream sector. We have experience of operating rigs in difficult and technically challenging environments viz., desert, eco fragile environments, mountain ranges and sub-zero conditions. We believe owners and operators of Rigs with specifications that meet the requirements of E&P players in technically challenging and remote production projects will have competitive edge in terms of utilization rates and profitability. We believe that our long term relationships with various clients in India enable us to better understand our clients' requirements and better evaluate the scope of work and risks involved in a project we bid for, as well as address changing demands in our target markets.

We have experience in operating workover and drilling rigs across various geographies in India including Himalayan mountain range in the north, eco fragile environments in Assam, Arunachal Pradesh and Tripura, and in desert and arid/ semi-arid conditions in Gujarat and Rajasthan in the west. Since our foray in overseas markets in 2006, we have worked in countries like Kazakhstan, Uganda and Algeria successfully managing logistics from India. We have executed a prolonged campaign (more than 5 years) in Kazakhstan where the ambient temperature mostly remains sub-zero. The operations required heat tracing of all the components including the living quarters of the crew at all times and facing dangers of undertaking drilling and workover services during heavy snowfall. We have also gained experience in operating in sub-Saharan desert conditions in Algeria where the temperature would soar to 55° C in summer.

We have laid down stringent operating criteria and processes, which we believe are some of the best standards in the industry. We place a high priority on managing the risks inherent in the industry in which we operate and we are committed to compliance with the highest national and international HSE standards. We have demonstrated a successful track record which includes more than 1,000 days of operation of a rig with zero LTI for 1,096 days in Fiscals 2009 to 2012. Over the years our rig availability time (productive rig time) has been at an average of 97% of overall contract time.

Strong order book

Our aggregate Order Book as of January 15, 2018 was ₹ 7,808.58 million (including contract value on hand, and LOA), comprising Order Book in the work-over and drilling rigs services, integrated contracted services, air and gas compression services and gas dehydration services.

The following table sets forth certain information relating to our Order Book as of January 15, 2018:

(₹ in millions except percentages)

Sr. No.		Estimated Order Book as of January 15, 2018		Total Estimated Order Book as of January 15, 2018 (contracted + LOA)	Percentage of Estimated Total Order Book as of January15, 2018
		Contracted	LOA		
Upstream Services					
1.	Workover Rigs	423.29	125.64	548.93	7.03
2.	Drilling Rigs (Upto 1000 HP)	1,314.83	420.81	1,735.64	22.23
3.	Drilling Rigs (above 1000 HP)	4,330.63	-	4,330.63	55.46
Midstream Services					
1.	Gas compression services / Gas Dehydration Services	37.18	1,156.20	1,193.38	15.28
	Total	**6,105.93**	**1,702.65**	**7,808.58**	**100.00**

Some of our existing contracts have extension options whereby the initial term may, at the option of our client, be extended for one or more additional periods. For further information on our Order Book, please see the section titled "*Management's Discussion and Analysis of our Financial Condition and Results of Operations - Size and composition of our Order Book, relationships with our key customers and our ability to execute such contracts*", "*Our Business - Order Book"* and section titled "*Risk Factors*" on pages 479, 145 and 17, respectively.

Strong management and skilled resource pool

Our senior and operating level management teams have extensive industry experience and deep understanding of the Indian and international markets. Our Managing Director, Mr. Mahesh Vyas has over three decades of experience in Oil & Gas equipment manufacturing and operation field. Mr. R.P. Tyagi, our Chief Operating Officer and Mr. Rajesh Sabnis, our Senior Vice President – Business Development, have over two decades of experience, working in Oil & Gas E&P companies. We believe that the considerable knowledge of and experience in the industry that our Key Management possess enhances our ability to operate efficiently. Our senior management team consists of technically qualified professionals, who are highly experienced in the industry we operate in. They bring with them, extensive experience in the sectors in which we operate. We believe that our management framework allows us to maintain the flexibility to address the markets and the geographies we operate in. Our workforce is trained in-house at our training facility at Jagudan, Ahmedabad-Mehsana Highway, Gujarat. We have rotation program for our workforce which enables our employees to gain experience in different rig operations.

Our Business Strategies

Leverage our experience and track record with servicing upstream players in India and overseas

We believe that our track record of more than three decades in the oil and gas services industry has equipped us with the operational wherewithal to expand our offerings. Focus of E&P activities are progressively shifting to deeper plays and horizontal drilling, which results in increasing demand for higher power specifications, higher capacity, and new generation rigs. Further, operators are continuously striving to meet their safety goal of zero LTI during drilling and workover activities and on reducing the costs of extracting hydrocarbons. Drilling automation seeks to do that through process improvements, optimized rates of drilling/ workover, consistent hole quality and overall drilling performance, all of which shall allow the operators to reduce the overall time taken to start production. We aim to acquire such modern rigs that shall help us achieve higher automation, dig deeper and horizontal wells, while minimising the time taken for carrying out drilling and workover activities while ensuring lower or zero LTI. We intend to maintain fiscal discipline so that we are at the right leverage for carrying out any capex / rig acquisitions, should an opportunity present itself.

Further, our existing higher capacity and new generation rigs enable us to undertake directional drilling and have the technical capability to undertake shale gas exploration and extraction activities. As on the date, only Indian NOCs have been permitted to explore shale gas extraction. However, approval for private participation is still in process and once the market is opened for private participation, we foresee a demand for specialised contractors who can undertake these activities.

Opportunistically evaluate opportunities in geo-markets with high growth potential.

Historically, our operations were focused on Indian onshore drilling / workover opportunities. We have been, in the last few years, strategically striving towards diversifying our presence in overseas markets with huge opportunities. We are continuously exploring to deploy our rigs in multiple geo-markets with an aim to improve our revenue realization and reduce concentration risk. With introduction of new rigs with Middle East region has the highest crude oil and natural gas reserves in the world. We have experience of operating rigs in Algeria and are in the approved vendor list of KOC, a subsidiary of Kuwait's NOC for providing drilling and workover services (*Source: CARE Report*). We believe MENA region can offer significant business opportunities for us. Going forward, we will continue exploring similar geo-markets which can offer us relatively higher day rates and improve our revenue realization basket.

Expanding into midstream business in onshore and offshore sectors

While we continue to focus on upstream services, we intend to strategically diversify into providing mid-stream services. India's midstream infrastructure is relatively underdeveloped. It has a transmission pipeline network of 16,150 km as of March 31, 2017 with a design capacity of around 383.81 mmscmd (for major gas pipelines) (*Source: "Ready Reckoner," Petroleum Planning and Analysis Cell, GoI, June 2017*). GOI has been promoting the development of a pan-India gas grid, through various planned projects. Out of these planned projects, the PNGRB has authorized the construction of 13,821 km of pipeline projects, which are under various stages of development. As an early entrant to the gas compression business, we are in a position to identify new opportunities and advantage of the proposed development in the midstream business in onshore and offshore sector. We are approved vendors with the Kuwait Oil Company and expect the international market for these services to expand in the future.

Further, with PNGRB making it mandatory to dehydrate natural gas before mounting to the pipelines, we believe that our experience in the gas compression services business provide us with a significant competitive advantage over newer players entering this segment. We have been able to secure a contract in 2016 for providing gas dehydration services. This industry is characterized with limited players leading to an oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants (Source: CARE Report) and hence we believe we have significant growth potential.

Increasing emphasis on quality service, safety, and efficiency

We aim to be the provider of choice for our clients, both in India and in regions with high growth potential, including the MENA. We will continue to focus on delivering quality service, safety, and efficiency to our customers in order to maintain and develop strong customer relationships. We continually seek to improve our health, safety, and environmental performance and to optimise the utilization of our rigs. We strive to implement best practices in the industry and are focusing on imparting training to our employees to improve upon our service capability and safety.

Strategically evaluate joint venture opportunities, associations, strategic tie-ups

We are focused on retaining and strengthening our leadership in the onshore Oil & Gas service industry India through expansion of our diversified products portfolio. We continue to focus on developing and introducing new value-added services into our service offerings. Our successful expansion into executing integrated service contracts and gas dehydration services shows our ability to identify new opportunities and expand into those verticals. We intend to offer a diverse range of services that are new to the Indian market and are innovative in nature so as to ensure market leadership and also be the preferred choice of the Oil & Gas players in the upstream and midstream sectors. We also continue to explore opportunities to collaborate with global players to augment the positioning of our services, enhancing and upgrading our capabilities though introduction of advanced equipment and technology. We also intend to offer our services bundled with services offered by larger service providers as part of integrated drilling contracts being offered by such players.

SUMMARY FINANCIAL INFORMATION

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ *in million*)

	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
ASSETS				
Non-current Assets				
Property, plant and equipment	10,848.00	9,337.53	9,765.46	9,899.76
Capital work in progress	108.27	1,776.04	439.61	-
Intangible assets	0.13	0.20	0.41	0.35
Financial asset				
(a) Investments	4.03	4.11	4.00	0.78
(b) Others	3.77	5.83	4.55	4.77
Advance tax assets (net)	148.08	567.26	534.83	419.78
Other non-current assets	71.92	30.44	147.50	249.12
Total non-current assets	**11,184.20**	**11,721.41**	**10,896.36**	**10,574.56**
Current Assets				
Inventories	727.32	764.61	721.35	655.48
Financial assets				
(a) Trade receivable	929.04	953.62	965.45	1,033.59
(b) Cash and cash equivalents	186.73	532.68	411.26	436.56
(c) Bank balance other than (b) above	258.73	253.00	222.86	175.58
(d) Others	274.76	362.24	499.06	604.26
Other current assets	328.60	214.69	177.49	81.00
Total current assets	**2,705.18**	**3,080.84**	**2,997.47**	**2,986.47**
TOTAL ASSETS	**13,889.38**	**14,802.25**	**13,893.83**	**13,561.03**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	183.67	183.67	175.46	175.46
Optionally Convertible Cumulative Redeemable Preference Shares	-	-	90.00	90.00
Other Equity	5,833.06	5,741.33	5,059.67	4,827.17
Total equity	**6,016.73**	**5,925.00**	**5,325.13**	**5,092.63**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	3,065.41	3,592.89	3,261.64	3,614.79
(b) Other financial liabilities	90.11	64.56	-	-
Provisions	3.44	2.76	2.64	1.59
Deferred tax liabilities (Net)	925.27	1,370.50	1,282.64	1,100.00
Total non-current liabilities	**4,084.23**	**5,030.71**	**4,546.92**	**4,716.38**
Current liabilities				
Financial liabilities				
(a) Borrowings	1,543.81	1,454.75	1,545.38	1,717.69
(b) Trade payables	886.18	962.66	934.14	827.55
(c) Other financial liabilities	1,212.28	1,091.70	1,147.61	1,149.96
Provisions	63.20	1.06	0.44	0.54
Other current liabilities	82.95	30.05	19.61	26.25
Current tax liability (net)	-	306.32	374.60	30.03
Total current liabilities	**3,788.42**	**3,846.54**	**4,021.78**	**3,752.02**
Total liabilities	**7,872.65**	**8,877.25**	**8,568.70**	**8,468.40**
TOTAL EQUITY AND LIABILITIES	**13,889.38**	**14,802.25**	**13,893.83**	**13,561.03**

(*₹ in million*)

	As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
I- EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	265.46	375.49
(b) Reserves and surplus	4,789.24	4,312.40
	5,054.70	**4,687.89**
(2) Non-current liabilities		
(a) Long-term borrowings	2,814.49	2,697.53
(b) Deferred tax liabilities (Net)	908.67	788.59
(c) Long-term provisions	1.42	0.93
	3,724.58	**3,487.05**
(3) Current liabilities		
(a) Short-term borrowings	1,328.10	1,173.32
(b) Trade payable	736.23	809.73
(c) Other current liabilities	1,211.67	2,277.64
(d) Short-term provisions	223.08	130.47
	3,499.08	**4,391.16**
	12,278.36	**12,566.10**
TOTAL II- ASSETS		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets	8,720.88	6,999.50
(ii) Intangible assets	10.81	21.00
(iii) Capital work-in-progress	124.73	1,357.30
(b) Non-current investments	0.18	0.18
(c) Long-term loans and advances	584.69	488.86
	9,441.29	**8,866.84**
(2) Current assets		
(a) Inventories	678.58	589.90
(b) Trade receivables	1,192.23	1,485.22
(c) Cash and bank balances	491.44	326.08
(d) Short-term loans and advances	87.15	1,292.18
(e) Other current assets	387.67	5.88
	2,837.07	**3,699.26**
TOTAL	**12,278.36**	**12,566.10**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(*₹ in million*)

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
INCOME				
Revenue from operations	2,282.82	5,767.36	5,611.94	5,123.44
Other income	29.17	49.93	39.11	24.56
Total Income	**2,311.99**	**5,817.29**	**5,651.05**	**5,148.00**
EXPENSES				
Operating expenses for drilling and workover rigs	1,056.72	2,574.04	2,741.80	2,728.82
Manufacturing expenses	4.71	14.23	18.89	1.48
Employee benefits expenses	353.28	640.14	581.41	582.25
Finance costs	266.33	491.17	530.01	520.79
Depreciation and amortization expense	296.98	513.93	528.46	486.38
Other expenses	167.49	450.10	456.41	327.94
Total Expenses	**2,145.51**	**4,683.61**	**4,856.98**	**4,647.66**
Profit Before Tax	**166.48**	**1,133.68**	**794.07**	**500.34**
Tax Expenses				
Current tax (Including foreign tax)	-	(330.35)	(405.72)	(167.30)
Deferred tax	3.17	(89.78)	(184.28)	(70.56)
Minimum alternate tax credit entitlement	-	0.01	77.06	66.55
Minimum alternate tax credit entitlement of earlier years	-	-	9.40	(3.20)
Excess provision for tax in respect of earlier years	-	-	-	10.47
Profit for the year	**163.31**	**713.56**	**290.53**	**336.30**
Other Comprehensive Income (OCI)				
Items that will be reclassified to profit or loss				
(A) (Loss)/ Gain arising from translating the Financial Statements of foreign operations	0.29	(20.15)	13.76	(27.60)
Items that will not be reclassified to profit or loss				
(B) (1) Loss on remeasurement of defined benefit plans	3.30	5.64	4.73	3.14
(B) (II) tax effect on above	(1.14)	(1.92)	(1.64)	(0.81)
Total other comprehensive income	**2.16**	**3.73**	**3.09**	**2.33**
Total comprehensive income for the year	**161.44**	**689.68**	**301.20**	**306.37**
Earnings Per Share (Face Value of ₹10 each)				
Basic EPS (₹)	8.89	39.46	16.55	19.16
Diluted EPS (₹)	8.89	39.46	15.82	18.31

(₹ in million)

	For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
INCOME		
(I) Revenue from operations	5,203.93	4,317.88
(II) Other income	14.67	94.94
(III) TOTAL INCOME (I+II)	**5,218.60**	**4,412.82**
(IV) EXPENSES		
Changes in inventories of finished goods	-	0.26
Operating expenses for drilling and workover rigs	2,627.15	2,231.65
Manufacturing expenses	5.88	6.88
Employee benefits expenses	590.71	492.60
Finance costs	447.72	402.11
Depreciation and amortization expense	369.83	282.27
Other expenses	371.55	272.22
TOTAL EXPENSES (IV)	**4,412.84**	**3,687.99**
(V) PROFIT BEFORE TAX (III-IV)	**805.76**	**724.83**
(VI) TAX EXPENSE:		
Current tax	175.68	154.44
Minimum alternate tax credit entitlement	(55.70)	(104.00)
Deferred tax	120.08	227.66
Short provision for taxes	2.82	18.93
TOTAL	**242.88**	**297.03**
(VII) NET PROFIT AFTER TAX AS RESTATED (V-VI)	**562.88**	**427.80**
Earning Per Equity Share (Face Value of ₹10 each)		
Basic EPS(₹)	32.05	24.08
Diluted EPS(₹)	30.44	22.84

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in million)

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A.	**Cash flows from operating activities Profit For the period / year**	**166.48**	**1,133.68**	**794.07**	**500.34**
	Adjustments for:				
	Depreciation and amortization expense	296.98	513.94	528.46	486.38
	Loss/(Profit) on sale/ disposal of PPE (net)	0.98	9.62	16.12	(3.98)
	Finance costs	266.32	491.17	552.14	520.79
	Bad debts	-	32.94	28.37	-
	Interest income	(7.86)	(17.69)	(14.91)	(17.54)
	Provision for doubtful debts and advances	-	(39.08)	50.97	(87.41)
	Unrealised foreign exchange (gain)/ loss (net)	39.69	(15.75)	(5.42)	-
	Excess provisions/ balances written back	-	-	-	15.00
	Dividend income from Investment carried at FVTPL	0.01	(0.17)	0.39	0.14
	(Loss)/ gain on Investment carried at FVTPL	-	-	(0.02)	-
	Operating profit before working capital changes	**762.60**	**2,108.66**	**1,950.17**	**1,413.72**
	Adjustment for:				
	Trade receivables	42.11	(48.77)	(19.08)	199.98
	Inventories	37.30	(43.26)	(65.87)	23.08
	Other bank balances	(5.93)	(30.13)	(47.28)	(34.97)
	Loans and advances and other current and non-current assets	32.12	100.32	129.25	(202.19)
	Trade, other payables and provisions	(65.75)	108.98	138.60	54.07
		39.85	**87.14**	**135.62**	**39.97**
	Cash generated from Operations	802.45	2,195.80	2,085.79	1,453.69
	Direct tax paid (net)	(334.41)	(411.74)	(176.72)	(163.56)
	Net cash generated from operating activities (A)	**468.04**	**1,784.06**	**1,909.08**	**1,290.13**
B.	**Cash flows from investing activities**				
	Investments in associate company	-	-	(3.61)	-
	Purchase of PPE	(156.02)	(1,431.67)	(557.12)	(2,012.15)
	Proceeds on sale of PPE	2.89	14.48	13.57	11.39
	Interest income	7.44	16.67	18.38	16.14
	Dividend income from Investment carried at FVTPL	-	-	0.02	-
	Sale of Investment	0.20	-	-	-
	Net cash (used in) investing activities (B)	**(145.49)**	**(1,400.52)**	**(528.76)**	**(1,984.62)**
C.	**Cash flows from financing activities**				
	Proceeds from non-current borrowings	-	1,397.59	405.60	1,789.23
	(Repayments) of non-current borrowings	(363.22)	(995.31)	(1,036.39)	(807.42)
	(Repayments)/ proceeds from current borrowings (net)	58.47	(78.84)	(194.99)	337.55
	Dividend paid (including corporate dividend tax)	(69.71)	(89.81)	(68.69)	(85.33)
	Finance cost	(294.32)	(499.21)	(514.06)	(453.81)
	Net cash from / (used in) financing activities (C)	**(668.78)**	**(265.58)**	**(1,408.53)**	**780.22**
D.	**Exchange difference on cash and cash equivalents (D)**	**0.28**	**3.48**	**2.89**	**-**
	Net increase in cash and cash equivalents (A+B+C+D)	**(345.95)**	**121.44**	**(25.32)**	**85.73**
	Cash and cash equivalents at the beginning of the year	532.68	411.24	436.56	350.83
	Cash and cash equivalents at the end of the year	**186.73**	**532.68**	**411.24**	**436.56**

(₹ in million)

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
A	**Cash flows from operating activities**		
	Profit before tax	805.76	724.83
	Adjustments for non-cash and non-operating items:		
	Add: Depreciation and amortization expense	369.84	282.27
	Loss on sale/ disposal of fixed assets (net)	9.20	3.00
	Finance costs	447.72	402.11
	Interest income	(12.14)	(8.02)
	Dividend income on non-current investments (Long term)	(0.06)	(0.03)
	(Profit) on Sale of Investments	-	(0.65)
	Bad debts	19.72	0.20
	Provision for doubtful debts	-	7.03
	Unrealised foreign exchange loss (net)	17.93	50.32
	Operating profit before working capital changes	**1,657.97**	**1,461.06**
	(Increase) in trade receivables	(122.66)	(151.81)
	(Increase) / Decrease in inventories	(88.66)	39.80
	Decrease/ (Increase) in other bank balances	32.36	(99.76)
	Decrease/ (Increase) in loans and advances and other current assets	1,170.78	(95.28)
	(Decrease) in trade and other payables	(0.24)	(156.29)
		991.58	**(463.34)**
	Cash generated from Operations	2,649.55	997.72
	Direct tax (paid) (net)	(178.61)	(70.64)
	Net cash generated from operating activities (A)	**2,470.94**	**927.08**
B	**Cash flows from investing activities**		
	Purchase of fixed assets	(2,045.37)	(936.32)
	Sale of fixed assets	11.89	7.57
	Sale of Investments	-	3.65
	Interest income	13.21	5.44
	Dividend income on non-current investments (Long term)	0.06	0.03
	Net cash (used in) investing activities (B)	**(2,020.21)**	**(919.63)**
C	**Cash flows from financing activities**		
	(Redemption (including premium) of preference share capital)	(110.39)	-
	Proceeds from long-term borrowings	649.45	849.47
	(Repayment) of long-term borrowings	(510.47)	(648.79)
	Proceeds from other borrowings (net)	155.05	96.19
	Dividend paid on preference shares (including corporate dividend tax)	(7.78)	(10.68)
	Finance costs	(428.88)	(377.16)
	Net cash (used in) financing activities (C)	**(253.02)**	**(90.97)**
	Net increase/ (decrease) in cash and cash equivalents (A+B +C)	**197.73**	**(83.52)**
	Cash and cash equivalents at the beginning of the year	153.10	236.62
	Cash and cash equivalents at the end of the year	**350.83**	**153.10**

RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind
ASSETS				
Non-current Assets				
Property, plant and equipment	9,613.96	8,052.66	8,406.26	8,639.25
Capital work-in-progress	108.27	1,776.04	439.61	-
Intangible assets	0.13	0.20	0.41	0.35
Financial asset				
(a) Investments	4.92	4.93	4.76	5.15
(b) Others	3.16	5.19	4.04	4.30
Advance tax assets (net)	148.01	567.17	534.75	520.46
Other non-current assets	60.86	16.96	129.32	208.20
Total Non-current assets	**9,939.31**	**10,423.15**	**9,519.15**	**9,377.71**
Current Assets				
Inventories	727.32	764.61	721.35	655.48
Financial assets				
(a) Trade receivables	910.29	935.10	946.71	1,014.84
(b) Cash and cash equivalents	176.27	522.97	396.87	349.74
(c) Bank balance other than (b) above	248.84	242.72	213.23	166.78
(d) Loans	-	26.58	27.20	28.76
(e) Others	329.97	431.10	557.19	604.17
Other current assets	321.36	208.74	172.67	79.73
Total Current assets	**2,714.05**	**3,131.82**	**3,035.22**	**2,899.50**
TOTAL ASSETS	**12,653.36**	**13,554.97**	**12,554.37**	**12,277.21**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	183.67	183.67	175.46	175.46
Optionally Convertible Cumulative Redeemable Preference Shares	-	-	90.00	90.00
Other Equity	4,861.65	4,931.26	4,543.95	4,629.58
Total Equity	**5,045.32**	**5,114.93**	**4,809.41**	**4,895.04**
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	2,405.14	2,783.37	2,198.95	2,431.11
(b) Other financial liabilities	77.10	43.52	-	-
Provisions	3.44	2.76	2.64	1.59
Deferred tax liability (Net)	925.36	1,370.59	1,282.74	1,100.10
Total Non-current liabilities	**3,411.04**	**4,200.24**	**3,484.33**	**3,532.80**
Current liabilities				
Financial liabilities				
(a) Borrowings	1,543.82	1,454.75	1,478.49	1,393.08
(b) Trade payables	1,556.24	1,604.79	1,465.68	1,260.58
(c) Other financial liabilities	950.79	842.83	921.81	1,038.15
Provisions	63.20	1.06	0.44	0.54
Other current liabilities	82.95	30.05	19.61	26.25
Current tax liability (Net)	-	306.32	374.60	130.77
Total Current liabilities	**4,197.00**	**4,239.80**	**4,260.63**	**3,849.37**
Total Liabilities	**7,608.04**	**8,440.04**	**7,744.96**	**7,382.17**
TOTAL EQUITY AND LIABILITIES	**12,653.36**	**13,554.97**	**12,554.37**	**12,277.21**

(₹ in million)

	As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	265.46	375.49
Reserves and surplus	4,773.36	4,297.13
	5,038.82	**4,672.62**
Non-current liabilities		
Long-term borrowings	2,814.49	2,697.53
Deferred tax liabilities (net)	908.75	788.66
Long-term provisions	1.42	0.93
	3,724.66	**3,487.12**
Current liabilities		
Short-term borrowings	1,268.40	1,173.31
Trade payables	717.18	806.62
Other current liabilities	1,211.48	2,277.37
Short-term provisions	223.08	129.44
	3,420.14	**4,386.74**
TOTAL	**12,183.62**	**12,546.48**
ASSETS		
Non-current assets		
Fixed assets		
(i) Tangible assets	8,720.88	6,999.50
(ii) Intangible assets	10.81	21.00
(iii) Capital work-in-progress	-	1,357.30
Non-current investments	4.55	1.18
Long-term loans and advances	584.69	488.46
	9,320.93	**8,867.44**
Current assets		
Inventories	678.56	589.90
Trade receivables	1,173.48	1,463.76
Cash and bank balances	482.55	325.03
Short-term loans and advances	140.43	1,294.47
Other current assets	387.67	5.88
	2,862.69	**3,679.04**
TOTAL	**12,183.62**	**12,546.48**

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(₹ in million)

	For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
INCOME				
Revenue from operations	2,282.83	5,767.36	5,611.94	5,123.44
Other income	34.52	61.88	63.56	25.59
TOTAL INCOME (I)	**2,317.35**	**5,829.24**	**5,675.50**	**5,149.03**
EXPENSES				
Operating expenses for drilling and workover rigs	1,281.79	3,063.99	3,241.40	3,025.93
Manufacturing expenses	4.71	14.23	18.89	1.48
Employee benefits expenses	346.13	626.02	568.18	581.61
Finance costs	234.81	402.29	441.32	469.90
Depreciation and amortization expense	272.57	463.15	479.71	464.11
Other expenses	171.92	440.39	436.30	314.45
TOTAL EXPENES (II)	**2,311.93**	**5,010.07**	**5,185.80**	**4,857.48**
Profit Before Tax (I - II)	**5.42**	**819.17**	**489.70**	**291.55**
Tax Expenses				
Current tax (including foreign tax)	-	(330.35)	(405.72)	(167.30)
Deferred tax	3.17	(89.77)	(184.28)	(70.56)
Minimum alternate tax credit entitlement	-	-	77.06	66.55
Excess/(short) provision for tax in respect of earlier years	-	-	9.40	7.27
Profit / (Loss) for the period / year	**2.25**	**399.05**	**(13.84)**	**127.51**
Other Comprehensive Income (OCI)				
<u>Items that will not be reclassified to profit or loss:</u>				
(a) Loss on remeasurement of defined benefit plans	3.30	5.64	4.73	3.14
(b) Tax effect on above	(1.14)	(1.92)	(1.64)	(0.81)
Total other comprehensive income	**2.16**	**3.72**	**3.09**	**2.33**
Total comprehensive income / (loss) for the period / year	**0.09**	**395.33**	**(16.93)**	**125.18**
Earnings Per Share (Face Value of ₹10 each)				
Basic EPS (₹)	0.12	22.07	(0.79)	7.26
Diluted EPS (₹)	0.12	22.07	(0.79)	6.94

(₹ in million)

	For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
INCOME		
Revenue from operations	5,188.47	4,289.95
Other income	14.64	94.35
TOTAL INCOME (I)	**5,203.11**	**4,384.30**
EXPENSES		
Changes in inventories of finished goods	-	0.26
Operating expenses for drilling and workover rigs	2,616.24	2,216.91
Manufacturing expenses	5.88	6.88
Employee benefits expense	590.71	492.60
Finance costs	447.63	402.03
Depreciation and amortization expenses	369.83	282.27
Other expenses	369.80	272.18
TOTAL EXPENSES (II)	**4,400.09**	**3,673.13**
Profit Before Tax (I-II)	**803.02**	**711.17**
Tax expense		
Current tax	174.00	150.00
Minimum alternate tax credit entitlement	(55.70)	(104.00)
Deferred tax	120.09	227.66
Minimum alternate tax credit entitlement written-off	2.82	18.93
	241.21	**292.59**
Net Profit After Tax	**561.81**	**418.58**
Earnings Per Share (EPS) *(face value of ₹10 each)*		
Basic (₹)	31.99	23.55
Diluted (₹)	30.38	22.34

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(₹ in million)

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A.	**Cash flows from operating activities**				
	Profit for the period / year	**5.43**	**819.17**	**489.70**	**291.55**
	Adjustments for:				
	Depreciation and amortization expense	272.57	463.15	479.71	464.11
	Loss/(gain) on sale/ disposal of PPE (net)	0.98	9.62	16.11	(3.98)
	Finance costs	234.81	402.29	441.32	469.90
	Bad debts	-	32.94	28.37	-
	Interest income	(8.20)	(19.67)	(16.99)	(18.57)
	Provision for doubtful debts and advances	-	-	-	15.00
	Unrealised foreign exchange (gain)/ loss (net)	8.91	(41.63)	36.41	(60.01)
	Excess provisions/ balances written back	-	(15.75)	(5.42)	-
	Dividend income from Investment carried at FVTPL	-	-	(0.02)	-
	(Loss)/ gain on Investment carried at FVTPL	0.01	(0.17)	0.39	0.14
	Operating profit before working capital changes	**514.51**	**1,649.95**	**1,469.58**	**1,158.14**
	Adjustment for:				
	Trade receivables	42.11	(46.87)	(19.08)	199.98
	Inventories	37.30	(43.26)	(65.87)	23.08
	Other bank balances	(6.11)	(29.49)	(46.45)	(26.17)
	Loans and advances and other current and non-current assets	(9.53)	27.39	106.26	(200.42)
	Trade, other payables and provisions	29.96	277.43	226.47	506.10
		93.73	**185.20**	**201.33**	**502.57**
	Cash generated from Operations	608.24	1,835.15	1,670.91	1,660.71
	Direct tax paid (net)	(334.41)	(411.74)	(176.72)	(163.56)
	Net cash generated from operating activities (A)	**273.83**	**1,423.41**	**1,494.19**	**1,497.15**
B.	**Cash flows from investing activities**				
	Purchase of PPE	(156.02)	(1,431.67)	(537.09)	(813.46)
	Proceeds on sale of PPE	2.89	13.83	9.34	11.39
	Interest income	7.78	18.70	20.45	16.05
	Dividend income from Investment carried at FVTPL	-	-	0.02	-
	Net cash (used in) investing activities (B)	**(145.35)**	**(1,399.14)**	**(507.28)**	**(786.02)**
C.	**Cash flows from financing activities**				
	Proceeds from non-current borrowings	-	1,397.59	405.61	509.58
	(Repayments) of non-current borrowings	(259.11)	(772.57)	(935.45)	(807.42)
	(Repayments)/ proceeds from current borrowings (net)	85.46	(11.51)	60.90	97.49
	Dividend paid (including corporate dividend tax)	(69.71)	(89.81)	(68.69)	(85.33)
	Finance cost	(232.10)	(425.35)	(405.03)	(417.65)
	Net cash from / (used in) financing activities (C)	**(475.46)**	**98.35**	**(942.66)**	**(703.33)**
D.	**Exchange difference on cash and cash equivalents (D)**	0.28	3.48	2.89	-
	Net increase in cash and cash equivalents (A+B+C+D)	**(346.70)**	**126.10**	**47.13**	**7.80**
	Cash and cash equivalents at the beginning of the year	522.97	396.87	349.74	341.94
	Cash and cash equivalents at the end of the period/year	**176.27**	**522.97**	**396.87**	**349.74**

(₹ in million)

		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
A.	**Cash flows from operating activities**		
	Net profit before tax	**803.02**	**711.17**
	Adjustments for non-cash and non-operating items:		
	Add: Depreciation and amortization expense	369.83	282.27
	Loss on sale/ disposal of fixed assets (net)	9.21	3.00
	Finance costs	447.63	402.03
	Interest income	(12.19)	(14.35)
	Dividend income on non-current investments (Long term)	(0.06)	(0.03)
	Profit on Sale of Investments	-	(0.65)
	Bad debts	19.72	0.20
	Provision for doubtful debts	-	7.03
	Unrealised foreign exchange loss (net)	17.93	50.31
	Operating profit before working capital changes	**1,655.09**	**1,440.98**
	(Increase) in trade receivables	(125.39)	(145.44)
	(Increase) / Decrease in inventories	(88.66)	39.80
	(Increase) / Decrease in other bank balances	32.36	(100.26)
	Decrease/ (Increase) in loans and advances and other current assets	1,118.26	(95.69)
	(Decrease) in trade and other payables	(16.04)	(151.24)
		920.53	**(452.83)**
	Cash generated from Operations	**2,575.62**	**988.15**
	Direct tax (paid) (net)	(174.17)	(67.24)
	Net cash generated from operating activities (A)	**2,401.45**	**920.91**
B.	**Cash flows from investing activities**		
	Purchase of fixed assets	(1,920.65)	(936.32)
	Sale of fixed assets	11.89	7.57
	Investments in subsidiary company	(3.37)	-
	Sale of Investments	-	3.65
	Interest income	13.28	11.76
	Dividend income on non-current investments (Long term)	0.06	0.03
	Net cash (used in) investing activities (B)	**(1,898.79)**	**(913.31)**
C.	**Cash flows from financing activities**		
	Proceeds from issue of share capital / (Redemption of shares)	(110.27)	-
	Proceeds from long-term borrowings	649.45	849.47
	Repayment of long-term borrowings	(510.47)	(648.78)
	Proceeds from other borrowings (net)	95.10	96.19
	Dividend paid (including corporate dividend tax)	(7.78)	(10.68)
	Interest expense	(428.80)	(377.08)
	Net cash (used in) financing activities (C)	**(312.77)**	**(90.88)**
D.	**Exchange difference on cash and cash equivalents (D)**	-	**7.36**
	Net increase/ (decrease) in cash and cash equivalents (A+B +C+ D)	**189.89**	**(75.92)**
	Cash and cash equivalents at the beginning of the year	152.05	227.97
	Cash and cash equivalents at the end of the year	**341.94**	**152.05**

THE OFFER

The following table summarises the details of the Offer:

Offer	Up to [●] Equity Shares aggregating to ₹ [●] million
of which:	
(i) Fresh Issue(1)	Up to [●] Equity Shares aggregating up to ₹ 2,180 million
(ii) Offer for Sale(2)(3)	Up to 1,677,744 Equity Shares aggregating up to ₹ [●] million
A) QIB Portion(4)(5)	Not more than [●] Equity Shares
of which	
Anchor Investor Portion	Up to [●] Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B) Non – Institutional Portion(5)	Not less than [●] Equity Shares
C) Retail Portion(5)	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	18,367,454 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Proceeds	For details, see the section titled "*Objects of the Offer*" on page 98. Our Company will not receive any proceeds from the Offer for Sale.

Allocation to Bidders in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see the sub-section titled "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 574.

(1) *The Fresh Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on December 22, 2017 and by our Shareholders pursuant to a resolution passed at the EGM held on January 22, 2018.*

(2) *Each of the Selling Shareholders have confirmed and authorised their respective participation in the Offer for Sale. For further details, please see the section titled "Other Regulatory and Statutory Disclosures" on page 516.*

(3) *The Equity Shares offered by the Selling Shareholders in the Offer have been held by them, for a period of at least one year prior to the date of this Draft Red Herring Prospectus. The Selling Shareholders confirm that the Equity Shares being offered as part of the Offer for Sale have been held in compliance with Regulation 26(6) of the SEBI ICDR Regulations and, to the extent that such Equity Shares have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued by capitalizing of free reserves of our Company and accordingly, are eligible for being offered for sale in the Offer, in accordance with Regulation 26(6) of the SEBI ICDR Regulations.*

(4) *Our Company in consultation with the BRLMs, may allocate up to 60% 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 Allocation Price. For details, see the section titled "Offer Procedure" on page 540.

(5) *Undersubscription, if any, in any category, except in the QIB portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. In the event of under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated prior to Equity Shares offered pursuant to the Offer for Sale. After receipt of subscription of 100% of the Fresh Issue, Equity Shares offered pursuant to the Offer for Sale shall be allocated in proportion to the number of Equity Shares offered by each of the Selling Shareholders. For further details, see "Offer Structure" on page 537. The Selling Shareholders, acknowledge and agree, in the event that any Equity Shares are not sold in the Offer for Sale on account of under-subscription, such unsold Equity Shares shall be subject to lock-in in accordance with this Draft Red Herring Prospectus and SEBI ICDR Regulations.*

The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Individual Bidder category, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis.

For details of the Offer procedure, including the grounds for rejection of Bids, please refer to the section titled "*Offer Procedure*" on page 540. For details of the terms of the Offer, please refer to the section titled "*Terms of the Offer*" on page 532.

GENERAL INFORMATION

Our Company was incorporated on October 9, 1987 as 'John Equipments Private Limited' under the Companies Act, 1956 as a private limited company. Subsequently, upon conversion of our Company into a public limited company pursuant to a resolution of our Shareholders on January 1, 1998, our Company's name was changed to 'John Equipments Limited' and a fresh certificate of incorporation, pursuant to change of name, was issued by the RoC on April 7, 1998. Subsequently, pursuant to resolution of our Shareholders on January 1, 1998. our Company's name was subsequently changed to 'John Energy Limited' and a fresh certificate of incorporation, pursuant to change of name, was issued by the RoC on April 13, 1998.

Registered Office

The details of the registered office of our Company are set forth below:

Plot No. 220, GIDC Estate
Mehsana – 384 002
Gujarat, India
Tel: +91 2762 251 830
Fax: +91 2762 254 822
Website: www.johnenergy.com

For details in relation to change in the location of the registered office of our Company, please see the section titled "*History and Corporate Structure*" on page 158.

Corporate Office

The details of our Corporate Office are as follows:

101, 1st Floor, Shapath –III
Near GNFC Tower, Sarkhej-Gandhinagar Highway
Ahmedabad – 380 054
Gujarat, India
Tel: +91 79 2685 0132
Fax: +91 79 2685 0133

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company Registration Number	010044
Corporate Identity Number	U29224GJ1987PLC010044

The Registrar of Companies

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

ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop
Naranpura, Ahmedabad – 380013
Gujarat, India

Board of Directors

The following table sets out the brief details of our Board as on the date of this Draft Red Herring Prospectus:

S. No.	Name/ Designation	Age (in years)	DIN	Address
1.	**Maheshkumar N. Vyas** Chairman and Managing Director	60	00432810	Sivalaya, Sur No.178 Swatantra, Ashok Vatika Road, Opp Kotak House, Bodakdev, Ahmedabad – 380 054, Gujarat, India
2.	**Dilipkumar N. Vyas** Whole time Director	54	00432971	B-401, Shivam Klasse, Behind Trilok Rowhouse, Bodakdev, Ahmedabad- 380 054, Gujarat, India
3.	**Chiragkumar M. Vyas** Whole-time Director	36	00432916	Sivalaya, Sur No.178 Swatantra, Ashok Vatika Road, Opp Kotak House, Bodakdev, Ahmedabad – 380 054, Gujarat, India
4.	**Ravi Kapoor** Non-executive independent Director	54	00003847	202, Pravesh Apartment, 10 Mahadevnagar Society, Sardar Patel Stadium, Ahmedabad – 380 014, Gujarat, India
5.	**Natwarlal M. Patel** Non-executive independent director	64	00027540	6-B, Ashokvatika No.1, Opp. Ekta Farm, Ambli Bopal Road, Bodakdev, Ahmedabad – 380 058, Gujarat, India
6.	**Meena K Bhatt** Non-executive independent director	63	06884949	64/1, Sector 2, Gandhinagar – 382 002, Gujarat, India
7.	**Rajiv A. Agarwal** Non-executive director	46	00379990	Chamaria Niwas, 3rd Floor 41, Mahant Road, Vile Parle (East), Mumbai – 400 057, Maharashtra, India
8.	**Mahesh Sarda** Non-executive independent Director	67	00023776	102, Riddhi Siddhi Apartment, Opposite Axis Bank, Park Colony, Jamnagar District, Jamnagar, Gujarat 361 008, India

For further details of our Directors, see the section titled "*Our Management*" on page 171.

Company Secretary and Compliance Officer

Our Company has appointed Rakesh Ghuwalewala as our Company Secretary and Compliance Officer. His contact details are as follows:

101, Shapath - III, 1st floor
Sarkhej - Gandhinagar Highway
Near GNFC Tower, Ahmedabad – 380 054
Gujarat, India
Tel: +91 79 26850132
Fax: +91 79 26850133
Email: rakeshg@johnenergy.com

Investor Grievances

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager with whom the Bid cum Application Form was submitted by the Anchor Investor.

Additionally, Bidders may also contact the BRLMs for redressal of complaints. All complaints, queries or comments received by SEBI shall be forwarded to the BRLMs, who shall respond to such complaints, queries or comments.

Chief Financial Officer

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

101, Shapath - III, 1st floor,
Sarkhej-Gandhinagar Highway,
Near GNFC Tower, Ahmedabad – 380 054
Gujarat, India
Tel: +91 79 26850132
Fax: +91 79 26850133
Email: jasher@johnenergy.com

Book Running Lead Managers

IDFC Bank Limited
Naman Chambers, C-32, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051
Maharashtra, India
Tel: +91 22 7132 5500
Fax: +91 22 6622 2501
Email: jel.ipo@idfcbank.com
Investor grievance email: mb.ig@idfcbank.com
Website: www.idfcbank.com
Contact Person: Gaurav Goyal
SEBI Registration No.: MB/INM000012250

Keynote Corporate Services Limited
The Ruby, 9th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai 400 028
Maharashtra, India
Tel: +91 22 3026 6000 - 10
Fax: +91-22-30266088
E-mail: mbd@keynoteindia.net
Investor grievance E-mail: mbd@keynoteindia.net
Website: www.keynoteindia.net
Contact Person: Akhil Mohod
SEBI Registration No.: INM000003606

Syndicate Members

[●]

Legal Counsel to the Offer as to Indian Law

Khaitan & Co
Ashoka Estate,
12th Floor, 24,
Barakhamba Road,
New Delhi 110 001
India
Tel: +91 11 4151 5454
Fax: +91 11 4151 5318

One Indiabulls Centre
13th Floor, Tower 1,
841, Senapati Bapat Marg,
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

Statutory Auditor to our Company

B S R & Associates LLP
903 Commerce House V,
Next to Vodafone House,
Prahladnagar, Corporate Road,
Ahmedabad 380 051
Tel: +91 79 401 44800
Fax: +91 79 401 44850
ICAI Firm Registration Number: 116231W / W100024

Registrar to the Offer

Link Intime India Private Limited

C-101, 247 Park
L B S Marg, Vikhroli West
Mumbai 400 083
Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Email: johnenergy.ipo@linkintime.co.in
Investor grievance email: johnenergy.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Escrow Collection Bank(s)

[●]

Refund Bank

[●]

Public Offer Bank(s)

[●]

Key bankers to our Company

Axis Bank Limited
2nd Floor, 3rd Eye Building
CG Road, Ahmedabad 380 009
Gujarat, India
Tel: +91 79 6614 7121
Fax: +91 79 6614 7100
Email: vishrut.bavishi@axisbank.com
Contact Person: Vishrut Bavishi
Website: www.axisbank.com

HDFC Bank Limited
1st Floor, Bank House Opposite Jain Derasar
Navrangpura, Ahmedabad 380 009
Gujarat, India
Tel: +91 79 2640 2508
Fax: +91 79 6631 7777
Email: parth.savla@hdfcbank.com
Contact Person: Parth Savla
Website: www.hdfcbank.com

ICICI Bank Limited
ICICI Bank Towers, Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4008 8090
Fax: +91 22 2653 1122
Email: abhishek.choudhary@icicibank.com
Contact Person: Abhishek Choudhary
Website: www.icicibank.com

Kotak Mahindra Bank Limited
Shop No. 325, 3rd Floor, Siddhivinayak Complex
Shivranjani BRTS, Satellite, Ahmedabad 380 015
Gujarat, India
Tel: +91 97 1292 8892
Fax: Not available
Email: chetan.kabra@kotak.com
Contact Person: Chetan Kabra
Website: www.kotak.com

SREI Equipment Finance Limited
102-B, Balleshwar Square
Opp Iscon Temple, SG Highway
Ahmedabad 380 015, Gujarat, India
Tel: +91 79 6160 2100
Fax: Not available
Email: brijesh.shah@srei.com
Contact Person: Brijesh Shah
Website: www.srei.com

Standard Chartered Bank
Abhijeet II, Near Mithakali Cross Roads
Navrangpura, Ahmedabad 380 006
Gujarat, India
Tel: +91 79 6607 0828
Fax: +91 79 6607 0869
Email: gautamprakash.khandelwal@sc.com
Contact Person: Gautham Prakash Khandelwal
Website: www.sc.com/in

IDBI Bank Limited	**State Bank of India Limited**
IDBI Bank Limited	State Bank of India
Off CG Road	Overseas Branch, S. G Highway
Ahmedabad 380 009	Ahmedabad
Gujarat, India	Gujarat, India
Tel: +91 79 6607 2717	Tel : +91 79 2694 4013
Fax: +91 79 2640 0814	Fax: +91 79 2694 4007
Email: Kishore.tawar@idbi.co.in	Email: sbi.04038@sbi.co.in
Contact Person: Kishore K Tawar	Contact Person: -
Website: www.idbi.com	Website: www.bank.sbi

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs under the SEBI Bankers to the Issue Regulations, 1994 for the ASBA process in accordance with the SEBI ICDR Regulations is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details of the list of the Designated SCSB Branches named by the respective SCSB which shall collect the Bid cum Application Forms, please refer to the above-mentioned link.

Syndicate SCSB Branches

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to collect of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time.

Registered Brokers

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

RTAs

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

Collecting Depository Participants

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

Monitoring Agency

Our Company shall appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with the SEBI ICDR Regulations.

IPO Grading

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

Credit Rating

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

Trustees

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

Project Appraisal

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

Experts

Except as stated below, our Company has not obtained any expert opinion in connection with this Draft Red Herring Prospectus:

1. Our Company has received the written consent dated February 15, 2018 from the statutory auditors of our Company namely, B S R & Associates LLP, to include their name as an expert under Section 26(5) of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditor on the Restated Standalone Financial Information and Restated Consolidated Financial Information and Statement of Tax Benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

2. Our Company has received written consent dated January 18, 2018 from the chartered engineer namely, Mukesh M Shah, to include their name as an expert under section 26 read with Section 2 (38) of the Companies Act, 2013 in this Draft Red Herring Prospectus in connection with his certificate dated January 18, 2018 issued in relation to the key performance indicators of our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

The term "expert" shall not be construed to mean an "expert" as defined under the Securities Act.

Statement of Inter-se Allocation of Responsibilities for the Offer

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

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	All BRLMs	IDFC
2.	Due diligence of the Company's operations / management / business plans / legal etc. Drafting and design of this Draft Red Herring Prospectus, the Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with the stipulated requirements and completion of the prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and filings with the RoC, follow up and coordination till final approval from all regulatory authorities	All BRLMs	IDFC
3.	Drafting and approval of all statutory advertisements.	All BRLMs	IDFC
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 3 above, including media monitoring, corporate advertisements, brochures etc.	All BRLMs	Keynote
5.	Appointment of other intermediaries namely, Registrar, Printers, Advertising Agency, Monitoring Agency and Bankers to the Offer	All BRLMs	IDFC
6.	Preparation of road show presentation and FAQs	All BRLMs	IDFC
7.	Institutional marketing strategy for the Offer	All BRLMs	IDFC

Sr. No.	Activity	Responsibility	Co-ordinator
	• Finalize the list and division of all institutional investors for one to one meetings, in consultation with the Company and Selling Shareholders • Finalizing international, domestic roadshow and investor meeting schedules		
8.	Non-institutional marketing and retail marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies, preparation of publicity budget • Finalize media and PR strategy • Finalizing centers for holding conferences for press and brokers • Finalizing collection centres • Finalizing and follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material	All BRLMs	Keynote
9.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading including coordination with Stock Exchanges for deposit of 1% security deposit	All BRLMs	Keynote
10.	Finalization of pricing and managing the book in consultation with the Company	All BRLMs	IDFC
11.	Post-Bidding activities – managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue, management of escrow accounts, finalization of the basis of allotment based on technical rejections, Basis of Allotment advertisement, listing of instruments, demat credit and refunds/ unblocking of funds, payment of the applicable STT on behalf of selling shareholders, coordination with SEBI and Stock Exchanges for refund of 1% security deposit and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, SCSBs, including responsibility for execution of underwriting arrangements, as applicable including coordinating redressal of investor grievances, coordinating with stock exchanges, SEBI for release of 1% security deposit post the Offer	All BRLMs	Keynote

Book Building Process

The Book Building Process, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid Cum Application Form within the Price Band and will be decided by our Company in consultation with the Book Running Lead Managers and the minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Managers, and advertised in [●] edition of English national newspaper [●], [●] edition of Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati being the regional language of Gujarat where the Registered Office of our Company is situated, each with wide circulation at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Managers through the Book Building Process, after the Bid/Offer Closing Date.

All Bidders, other than Anchor Investors, shall mandatorily participate in the Offer only through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion (other than the Anchor Investor Portion) and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw

their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to QIBs in the QIB Portion (other than the Anchor Investor Portion) will be on a proportionate basis and allocation to Anchor Investors will be on a discretionary basis. For further details, see the section titled "*Terms of the Offer*" and "*Offer Procedure*" on pages 532 and 540 respectively.

Our Company and the Selling Shareholders will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to the Offer. In this regard, our Company and the Selling Shareholders have appointed the Book Running Lead Managers to manage the Offer and procure Bids to the Offer.

The Book Building Process and the Bidding Process under the SEBI ICDR Regulations is subject to change from time to time and Investors are advised to make their own judgment prior to submitting a Bid.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and price discovery process, see "*Offer Procedure – Part B – Basis of Allocation - Illustration of Book Building Process and Price Discovery Process*" on page 573.

The Offer is subject to the receipt of the final approval from the RoC of the Red Herring Prospectus and the Prospectus and the issuance of the final listing and trade approval from the Stock Exchange(s).

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

Bid/Offer Programme

For details of the Bid/Offer Programme, please refer to the section titled "*Terms of the Offer*" on page 532.

Underwriting Agreement

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

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

This table below has been intentionally left blank and would be finalized after pricing and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations and will be filled in before filing of the Prospectus with the RoC.

(*₹ in million, except share data*)

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

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. Notwithstanding the above table, the BRLMs and the Syndicate Members shall be severally and not jointly responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure/subscribe to Equity Shares to the extent of the defaulted amount in accordance with and subject to the terms of the Underwriting Agreement. The underwriting arrangement stated above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The share capital of our Company as of February 11, 2018, before the Offer and after the Offer, is set forth below:

(in ₹ except share data)

S. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price[(1)]
A	**Authorised Share Capital** [(2)]		
	39,556,030 equity shares of ₹ 10 each	395,560,300	
B	**Issued, Subscribed and Paid Up Capital before the Offer**		
	18,367,454 equity shares of ₹ 10 each	183,674,540	
C	**Present Offer in terms of this Draft Red Herring Prospectus**		
	Up to [●] Equity Shares	[●]	[●]
	which consists of		
	Fresh Issue of up to [●] Equity Shares[(3)]	2,180,000,000	[●]
	Offer for Sale of up to 1,677,744 Equity Shares[(4)]	[●]	[●]
D	**Issued, Subscribed and Paid Up Capital after the Offer**		
	[●] equity shares of ₹ 10 each	[●]	[●]
E	**Share Premium Account**		
	Before the Offer	2,700,363,887	
	After the Offer	[●]	

(1) *To be finalized upon determination of the Offer Price.*

(2) *For details in relation to the changes in the authorized share capital of our Company since incorporation, see "History and Corporate Structure" on page 158.*

(3) *The Fresh Issue has been authorized by a resolution of our Board of Directors in their meeting held on December 22, 2017 and a resolution of our Shareholders in their Extraordinary General Meeting held on January 22, 2018.*

(4) *For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 516.*

Notes to Capital Structure

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

(a) Equity Share Capital history

Date of allotment of equity shares	No. of equity shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Reason for allotment	Cumulative number of equity shares	Cumulative issued and paid up equity share capital (₹)
October 9, 1987	100	1,000	1,000	Cash	Allotment to the subscribers of MoA[(1)]	100	100,000
January 29, 1988	551	1,000	1,000	Cash	Further allotment[(2)]	651	651,000
December 16, 1989	118	1,000	1,000	Cash	Further allotment[(3)]	769	769,000
March 4, 1993	231	1,000	1,000	Cash	Further allotment[(4)]	1,000	1,000,000
March 30, 1994	600	1,000	1,000	Other than cash	Further allotment [(5)]	1,600	1,600,000
March 30, 1994	750	1,000	1,000	Cash	Further allotment[(6)]	2,350	2,350,000
August 31, 1994	9,400	1,000	-	-	Bonus issue[(7)]	11,750	11,750,000
December 5, 1994	560	1,000	1,000	Cash	Further allotment[(8)]	12,310	12,310,000
February 10,	9,200	1,000	1,000	Cash	Further	21,510	21,510,000

Date of allotment of equity shares	No. of equity shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Reason for allotment	Cumulative number of equity shares	Cumulative issued and paid up equity share capital (₹)
1996					allotment[(9)]		
February 28, 1996	3,570	1,000	-	-	Bonus issue[(10)]	25,080	25,080,000
February 28, 1996	1,190	1,000	1,000	Cash	Further allotment[(11)]	26,270	26,270,000
September 13, 1997	6,000	1,000	1,000	Cash	Further allotment[(12)]	32,270	32,270,000
Sub-division of equity shares of our Company having a face value of ₹ 1,000 each to a face value of ₹ 10 each as approved by the shareholders on April 11, 1998							
August 6, 1998	350,000	10	10	Cash	Preferential allotment[(13)]	3,577,000	35,770,000
September 18, 1998	400,000	10	10	Cash	Preferential allotment[(14)]	3,977,000	39,770,000
September 18, 1998	750,000	10	-	-	Bonus issue[(15)]	4,727,000	47,270,000
September 26, 1998	300,000	10	10	Cash	Preferential allotment[(16)]	5,027,000	50,270,000
December 7, 1998	100,000	10	10	Cash	Preferential allotment[(17)]	5,127,000	51,270,000
December 2, 2002	800,000	10	10	Cash	Preferential allotment[(18)]	5,927,000	59,270,000
October 1, 2004	1,000,000	10	10	Cash	Preferential allotment[(19)]	6,927,000	69,270,000
March 31, 2005	1,266,500	10	10	Cash	Preferential allotment[(20)]	8,193,500	81,935,000
March 27, 2006	1,401,500	10	10	Cash	Preferential allotment[(21)]	9,595,000	95,950,000
November 15, 2006	4,113,300	10	121.60	Cash	Preferential allotment[(22)]	13,708,300	137,083,000
February 28, 2008	762,324	10	400	Cash	Preferential allotment[(23)]	14,470,624	144,706,240
March 31, 2008	112,676	10	400	Cash	Preferential allotment[(24)]	14,583,300	145,833,000
March 31, 2010	2,383,357	10	314.70	Cash	Preferential allotment[(25)]	16,966,657	169,666,570
October 3, 2011	476,370	10	766.21	Cash	Preferential allotment[(26)]	17,443,027	174,430,270
March 27, 2014	103,460	10	766.21	Cash	Conversion of preference shares[(27)]	17,546,487	175,464,870
July 31, 2016	820,967	10	913.56	Cash	Conversion of preference shares[(28)]	18,367,454	183,674,540

(1) *Initial allotment of 15 equity shares each to Maheshkumar N. Vyas, Dilipkumar N. Vyas and Gunvantray Panchal and 55 equity shares to Hasmukhbhai Patel.*

(2) *Allotment of 133 equity shares to Gunvantray Panchal, 35 equity shares to Bhartiben G. Panchal, 174 equity shares to Maheshkumar N. Vyas, 120 equity shares to Dilipkumar N. Vyas, 38 equity shares to Natvarlal S. Vyas, 50 equity shares to Dahiben N. Vyas, 1 equity shares to Rasilaben M Vyas.*

(3) *Allotment of 15 equity shares to Dilipkumar N. Vyas, 53 equity shares to Natvarlal S. Vyas and 50 equity shares to Rameshbhai Kacharadas Patel.*

(4) *Allotment of 55 equity shares to Maheshkumar N. Vyas, 56 equity shares to Dilipkumar N. Vyas and 120 equity shares to Bhartiben G. Panchal.*

(5) *Allotment of 170 equity shares to Bhartiben G. Panchal, 156 equity shares to Maheshkumar N. Vyas, 115 equity shares to Natvarlal S. Vyas and 159 equity shares to Dilipkumar N. Vyas.*

(6) *Allotment of 400 equity shares to Maheshkumar N. Vyas, 250 equity shares to Natvarlal S. Vyas, 100 equity shares to Bhartiben G Panchal.*

(7) *Allotment of 9,400 bonus equity shares to the existing equity shareholders of our Company as on June 30, 1994, in the ratio*

of four equity shares for every one equity share held pursuant to capitalization of revaluation reserves of our Company.

(8) *Allotment of 205 equity shares to Maheshkumar N. Vyas, 105 equity shares to Dilipkumar N. Vyas, 150 equity shares to Natvarlal S. Vyas and 100 equity shares to Bhartiben G. Panchal*

(9) *Allotment of 1,046 equity shares to Maheshkumar N. Vyas, 1,028 equity shares to Dilipkumar N. Vyas, 800 equity shares to Bhartiben G Panchal, 809 equity shares to Natvarlal S. Vyas, 1,225 equity shares to Maheshkumar N. Vyas (A/c JVM Engg. Co.), 1,225 equity shares to Dilipkumar N. Vyas (A/c JVM Engg. Co.), 1,225 equity shares to Bhartiben G. Panchal (A/c JVM Engg. Co.), 1,225 equity shares to Natvarlal S. Vyas (A/c JVM Engg. Co.), 87 equity shares to Rasilaben M. Vyas, 150 equity shares to Sunilbhai Thakar, 50 equity shares to Dineshbhai A. Thakar, 25 equity shares to Dahiben N. Vyas, 40 equity shares to Avani D. Joshi, 25 equity shares to Nandlal Mangalji Vyas, 50 equity shares to Pratimaben A. Yagnik, 15 equity shares to Dilipkumar A. Joshi, 25 equity shares to Dinesh M. Vyas, 25 equity shares to Asutosh M. Rawal, 25 equity shares to Dipali D. Acharya, 25 equity shares to Arunaben S. Pancholi, 25 equity shares to Durgaben D. Vyas, 25 equity shares to Abhaben M. Rawal and 25 equity shares to Kantilal K. Patel.*

(10) *Allotment of 3,570 bonus equity shares to the existing equity shareholders of our Company as on March 31, 1995, in the ratio of 29 new equity shares for every 100 equity shares held.*

(11) *Allotment of 40 equity shares to Amrutlal T. Joshi, 262 equity shares to Amrutlal S. Patel, 73 equity shares to Babubhai S. Patel, 75 equity shares to Dilipkumar A Joshi, 135 equity shares to Ranchoddas S. Patel, 200 equity shares to Rasilaben M Vyas, 300 equity shares to Mehsana Auto Parts Private Limited and 105 equity shares to Somabhai Patel.*

(12) *Allotment of 1,063 equity shares to Bhartiben G Panchal, 1,656 equity shares to Maheshkumar N. Vyas, 783 equity shares to Dilipkumar N. Vyas, 657 equity shares to Natvarlal S. Vyas, 35 equity shares to Dahiben N. Vyas, 30 equity shares to Rasilaben M Vyas, 122 equity shares to Maheshkumar N. Vyas (A/c JVM Engg. Co), 122 equity shares to Dilipkumar N. Vyas (A/c JVM Engg. Co), 122 equity shares to Bhartiben G Panchal (A/c JVM Engg. Co), 122 equity shares to Natvarlal S Vyas(A/c JVM Engg. Co), 26 equity shares to Amrutlal S. Patel, 30 equity shares to Mehsana Auto Parts Private Limited, 500 equity shares to Pratimaben A. Yagnik, 700 equity shares to Ashok Kumar I. Patel and 32 equity shares to Rameshbhai K. Patel.*

(13) *Allotment of 188,750 Equity Shares to Maheshkumar N. Vyas, 79,120 Equity Shares to Bhartiben G Panchal, 8,000 Equity Shares to Natvarlal S. Vyas, 37,500 Equity Shares to Abhaben D. Vyas and 36,630 Equity Shares to Dilipkumar N. Vyas.*

(14) *Allotment of 152,750 Equity Shares to Bhartiben G Panchal, 79,350 Equity Shares to Natvarlal S. Vyas, 80,000 Equity Shares to Rasilaben M. Vyas, 60,000 Equity Shares to Abhaben D. Vyas and 27,900 Equity Shares to Dilipkumar N. Vyas.*

(15) *Allotment of 750,000 Equity Shares to the Equity Shareholders of our Company as on March 31, 1998, in the ratio of one new Equity Share for every four Equity Shares held, pursuant to capitalistion of reserve fund and profit and loss account.*

(16) *Allotment of 48,385 Equity Shares to Natvarlal S. Vyas, 50,500 Equity Shares to Rasilaben M. Vyas, 30,000 Equity Shares to Abhaben D. Vyas, 74,000 Equity Shares to Bhartiben G Panchal, 71,715 Equity Shares to Maheshkumar N. Vyas and 25,400 Equity Shares to Dilipkumar N. Vyas.*

(17) *Allotment of 50,000 Equity Shares to A.T. Sainudin and 50,000 Equity Shares to Vijaya Sainudin.*

(18) *Allotment of 800,000 Equity Shares to John Oil and Gas Limited.*

(19) *Allotment of 10,000 Equity Shares to Bhartiben G Panchal, 145,000 Equity Shares to Maheshkumar N. Vyas, 110,000 Equity Shares to Dilipkumar N. Vyas, 27,000 Equity Shares to Natvarlal S. Vyas, 20,000 Equity Shares to Rasilaben M. Vyas, 13,000 Equity Shares to Abhaben D. Vyas, 60,000 Equity Shares to Chiragkumar M. Vyas, and 615,000 Equity Shares to John Oil and Gas Limited.*

(20) *Allotment of 76,000 Equity Shares to Bhartiben G Panchal, 540,000 Equity Shares to Maheshkumar N. Vyas, 177,500 Equity Shares to Dilipkumar N. Vyas, 44,500 Equity Shares to Natvarlal S. Vyas, 4,500 Equity Shares to Rasilaben M Vyas, 6,000 Equity Shares to Abhaben D. Vyas, 135,000 Equity Shares to Chiragkumar M. Vyas and 283,000 Equity Shares to John Oil and Gas Limited.*

(21) *Allotment of 38,500 Equity Shares to Bhartiben G Panchal, 430,000 Equity Shares to Maheshkumar N. Vyas, 100,000 Equity Shares to Dilipkumar N. Vyas, 30,000 Equity Shares to Natvarlal S. Vyas, 208,000 Equity Shares to Rasilaben M. Vyas, 15,000 Equity Shares to Abhaben D. Vyas, 130,000 Equity Shares to Chiragkumar M. Vyas, and 450,000 Equity Shares to John Oil and Gas Limited.*

(22) *Allotment of 3,289,500 Equity shares to Rakesh Radheyshyam Jhunjhunwala, 2,05,000 Equity Shares to Kalpraj Damji Dharamshi (jointly held with Hina Kalpraj Dharamshi), 2,05,000 Equity Shares to Amal N. Parik, 82,250 Equity Shares to Percept Advertising and Marketing Services Private Limited, 82,250 Equity Shares to Gautam Dosh, 62,000 Equity Shares to Nipa Sheth, 42,000 Equity Shares to Rajeshkumar Jhunjhunwala, 42,000 Equity Shares to Sushila Gupta, 16,500 Equity Shares to Rajendra Chitale, 11,500 Equity Shares to Naren R. Shah, 10,000 Equity Shares to Ajit Menon, 10,000 Equity Shares to Jehangir Sorabjee, 10,000 Equity Shares to Vinaben Rashmikanth Shah (jointly held with Rashmikant N. Shah), 10,000 Equity Shares to Vasanti Devanathan, 6,500 Equity Shares to Manish Gupta, 5,500 Equity Shares to Navneet Sinha, 5,000 Equity Shares to Rajiv Agarwal, 5,000 Equity Shares to Ranjana Khetan, 3,000 Equity Shares to Chetan R. Shah (HUF), 2,500 Equity Shares to Gaurav Gupta, 2,100 Equity Shares to Induja S. Iyer, 2,100 Equity Shares to Chirag Shah, 2,000 Equity Shares to Amit Himatlal Shah, 800 Equity Shares in Niraj Dalal and 800 Equity Shares to Virendra Kumar Gupta (HUF)*

(23) *Allotment of 500,125 Equity Shares to John Oil and Gas Limited, 13,085 Equity Shares to Amal N Parikh (Jointly held with Viral Amal Parikh), 128 Equity Shares to Amit Himatlal Shah, 191 Equity Shares to Chetan R. Shah (HUF), 638 Equity Shares to Ajit Menon, 638 Equity Shares to Jehangir Sorabjee, 160 Equity Shares to Gaurav Gupta, 5,250 Equity Shares to Gautam Bhailal Doshi (Jointly held with Bhavna Gautam Doshi), 134 Equity Shares to Induja S. Iyer (Jointly held with Sivaramakrishnan S. Iyer), 13,085 Equity Shares to Kalpraj Damji Dharamshi (Jointly held with Hina Kalpraj and Raichand Dudhramshi), 415 Equity Shares to Manish Gupta, 2,681 Equity Shares to Sushiladevi Purshottam Gupta, 734 Equity Shares to Naren Rashmikant Shah, 3,957 Equity Shares to Chanakya Corporate Services Private Limited, 51 Equity Shares to Niraj Dalal, 5,250 Equity Shares to Percept Advertising and Marketing Services Private Limited, 1,053 Equity Shares to Rajendra P Chitale (Jointly held with Shobhana R. Chitale), 2,681 Equity Shares to Rajeshkumar Radheshyam*

Jhunjhunwala, 319 Equity Shares to Rajiv Agarwal (Jointly held with Varsha Agarwal), 2,09,969 Equity Shares to Rakesh Radheyshyam Jhunjhunwala, 319 Equity Shares to Ranjana Khetan, 134 Equity Shares to Chirag Shah, 638 Equity Shares to Vasanti Devanathan, 638 Equity Shares to Vinaben Rashmikant Shah (Jointly held with Rashmikant N. Shah) and 51 Equity Shares to Virendrakumar Gupta (HUF).

(24) *Allotment of 112,325 Equity Shares to John Oil and Gas Limited, 351 Equity Shares to Rajiv Agrawal (jointly held with Varsha Agarwal).*

(25) *Allotment of 2,383,357 Equity shares to IRC*

(26) *Allotment of 476,370 Equity shares to IL&FS*

(27) *Allotment of 103,460 Equity shares to IL&FS on conversion of 4,272 OCCRPS Series I and 75,000 OCCRPS Series II issued pursuant to the Share Subscription Agreement dated September 28, 2011. For details, see "History and Corporate Structure - Summary of Key Agreements" on page 164.*

(28) *Allotment of 820,967 Equity shares to ICICI on conversion of OCCRPS Series V issued pursuant to the Share Subscription Agreement dated September 28, 2011 read with addendum agreement dated October 9, 2015. For details, see "History and Corporate Structure - Summary of Key Agreements" on page 164.*

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

2. **Issue of Equity Shares in the last one year at a price lower than the Offer Price**

Our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus.

3. **Equity shares issued for consideration other than cash**

Other than the bonus issues made by our Company, details of Equity Shares issued for consideration other than cash are as follows:

Date of Allotment	No. of Equity Shares	Details of allotment and benefits accrued (if any)
March 30, 1994	600*	Allotment of Equity Shares against shares of Mehsana Auto Parts Private Limited as the Company had intended to invest in Mehsana Auto Parts Private Limited.

The equity shares of our Company having a face value of ₹ 1,000 each were sub-divided to a face value of ₹ 10 each pursuant to a resolution passed by our shareholders on April 11, 1998

4. Except as disclosed in the sub-section titled "*History and Corporate Structure – Scheme of Amalgamation*" on page 163, our Company has not issued or allotted any shares in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or 230-232 of the Companies Act.

5. **Build-up of Promoters' Shareholding, Promoters' contribution and Lock-in**

(a) ***Build-up of Equity Shares held by our Promoters***

The Equity Shares held by our Promoters were acquired/ allotted in the following manner:

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value (₹)	Issue Price per equity share (₹)	Nature of consideration	% of the pre-Offer capital	% of the post-Offer capital
MAHESHKUMAR N. VYAS							
October 9, 1987	Subscription to MoA	15	1,000	1,000	Cash	0.01	[●]
January 29, 1988	Further allotment	174	1,000	1,000	Cash	0.09	[●]
March 4, 1993	Further allotment	55	1,000	1,000	Cash	0.03	[●]
March 30, 1994	Further allotment	156	1,000	1,000	Other than cash	0.08	[●]
	Further allotment	400	1,000	1,000	Cash	0.22	[●]
August 31, 1994	Bonus issue	3,200	1,000	1,000	-	1.74	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value (₹)	Issue Price per equity share (₹)	Nature of consideration	% of the pre-Offer capital	% of the post-Offer capital
December 5, 1994	Further allotment	205	1,000	1,000	Cash	0.11	[●]
February 10, 1996	Further allotment	1,046	1,000	1,000	Cash	0.57	[●]
February 28, 1996	Bonus issue	1,219	1,000	1,000	-	0.66	[●]
September 13, 1997	Further allotment	1,656	1,000	1,000	Cash	0.90	[●]
Sub-division of equity shares of our Company having a face value of ₹ 1,000 each to a face value of ₹ 10 each as approved by the shareholders on April 11, 1998							
August 6, 1998	Preferential allotment	188,750	10	10	Cash	1.03	[●]
September 18, 1998	Bonus issue	186,750	10	10	-	1.02	[●]
September 26, 1998	Preferential allotment	71,715	10	10	Cash	0.39	[●]
April 1, 1999	Transfer from Bhartiben Panchal	836,170	10	10	Cash	4.55	[●]
	Transfer from Pratimaben Yagnik	64,050	10	10	Cash	0.35	[●]
September 12, 2000	Transfer from Ashokkumar Patel	80,900	10	10	Cash	0.44	[●]
October 20, 2000	Transfer from A T Sainuddin	50,000	10	10	Cash	0.27	[●]
March 9, 2001	Transfer from Vijaya Sainudin	50,000	10	10	Cash	0.27	[●]
March 31, 2001	Transfer from Maheshkumar N Vyas (A/c JVM Engg. Co.)	30,000	10	10	Cash	0.16	[●]
March 31, 2003	Transfer from Maheshkumar N Vyas (A/c JVM Engg. Co.)	20,000	10	10	Cash	0.11	[●]
March 31, 2004	Transfer from Maheshkumar N Vyas (A/c JVM Engg. Co.)	116,625	10	10	Cash	0.63	[●]
April 10, 2004	Transfer from Nandlal Vyas	3,125	10	10	Cash	0.02	[●]
	Transfer from Dinesh M Vyas	3,125	10	10	Cash	0.02	[●]
	Transfer from Mehsana Auto Parts Private Limited	45,100	10	10	Cash	0.25	[●]
October 1, 2004	Preferential allotment	145,000	10	10	Cash	0.79	[●]
March 31, 2005	Preferential allotment	540,000	10	10	Cash	2.94	[●]
March 27, 2006	Preferential allotment	430,000	10	10	Cash	2.34	[●]
March 28, 2006	Transfer from Rameshbhai K. Patel	44,075	10	10	Cash	0.24	[●]
	Transfer from Sunilbhai Thakkar	18,750	10	10	Cash	0.10	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value (₹)	Issue Price per equity share (₹)	Nature of consideration	% of the pre-Offer capital	% of the post-Offer capital
	Transfer from Dineshbhai Thakkar	6,250	10	10	Cash	0.03	[●]
	Transfer from Avani D. Joshi	5,000	10	10	Cash	0.03	[●]
	Transfer from Dilipkumar A. Joshi	16,250	10	10	Cash	0.09	[●]
	Transfer from Arunaben Pancholi	3,125	10	10	Cash	0.02	[●]
	Transfer from Durgaben D. Vyas	3,125	10	10	Cash	0.02	[●]
	Transfer from Kantilal K. Patel	3,125	10	10	Cash	0.02	[●]
	Transfer from Amrutlal S. Patel	35,750	10	10	Cash	0.19	[●]
	Transfer from Babubhai S. Patel	9,125	10	10	Cash	0.05	[●]
	Transfer from Ranchodbhai S. Patel	16,875	10	10	Cash	0.09	[●]
	Transfer from Somabhai Patel	13,125	10	10	Cash	0.07	[●]
	TOTAL	**3,848,485**				**20.95**	[●]
DILIPKUMAR N. VYAS							
October 9, 1987	Subscription to MoA	15	1,000	1,000	Cash	0.01	[●]
January 29, 1988	Further allotment	120	1,000	1,000	Cash	0.07	[●]
December 16, 1989	Further allotment	15	1,000	1,000	Cash	0.01	[●]
March 4, 1993	Further allotment	56	1,000	1,000	Cash	0.03	[●]
March 30, 1994	Further allotment	159	1,000	1,000	Other than cash	0.09	[●]
August 31, 1994	Bonus issue	1,460	1,000	1,000	-	0.79	[●]
December 5, 1994	Further allotment	105	1,000	1,000	Cash	0.06	[●]
February 10, 1996	Further allotment	1,028	1,000	1,000	Cash	0.56	[●]
February 28, 1996	Bonus issue	560	1,000	1,000	-	0.30	[●]
September 13, 1997	Further allotment	783	1,000	1,000	Cash	0.43	[●]
Sub-division of equity shares of our Company having a face value of ₹ 1,000 each to a face value of ₹ 10 each as approved by the shareholders on April 11, 1998							
August 6, 1998	Preferential allotment	36,630	10	10	Cash	0.20	[●]
September 18, 1998	Preferential allotment	27900	10	10	Cash	0.15	[●]
September 18, 1998	Bonus issue	99,950	10	10	-	0.54	[●]
September 26, 1998	Preferential allotment	25,400	10	10	Cash	0.14	[●]
March 31, 2001	Transfer from Dilipkumar Vyas	30,000	10	10	Cash	0.16	[●]

Date of allotment/ transfer	Nature of transaction	Number of equity shares allotted/ transferred	Face value (₹)	Issue Price per equity share (₹)	Nature of consideration	% of the pre-Offer capital	% of the post-Offer capital
	(A/c JVM Engg Co.)						
March 31, 2003	Transfer from Dilipkumar Vyas (A/c JVM Engg Co.)	20,000	10	10	Cash	0.11	[●]
March 31, 2004	Transfer from Dilipkumar Vyas (A/c JVM Engg Co.)	116,625	10	10	Cash	0.63	[●]
October 1, 2004	Preferential allotment	110,000	10	10	Cash	0.60	[●]
March 31, 2005	Preferential allotment	177,500	10	10	Cash	0.97	[●]
March 27, 2006	Preferential allotment	100,000	10	10	Cash	0.54	[●]
March 28, 2006	Transfer from Asutosh M. Rawal	3,125	10	10	Cash	0.02	[●]
	Transfer from Dipali D Acharya	3,125	10	10	Cash	0.02	[●]
	TOTAL	**1,180,355**				**6.43**	**[●]**
JOHN OIL AND GAS LIMITED							
December 2, 2002	Preferential allotment	800,000	10	10	Cash	4.36	[●]
October 1, 2004	Preferential allotment	615,000	10	10	Cash	3.35	[●]
March 31, 2005	Preferential allotment	283,000	10	10	Cash	1.54	[●]
March 27, 2006	Preferential allotment	450,000	10	10	Cash	2.45	[●]
February 28, 2008	Preferential allotment	500,125	10	400	Cash	2.72	[●]
March 31, 2008	Preferential allotment	112,325	10	400	Cash	0.61	[●]
April 27, 2010	Transfer to IRC	(476,510)	10	314.70	Cash	(2.59)	[●]
	TOTAL	**2,283,940**				**12.43**	**[●]**
	GRAND TOTAL	**7,312,780**				**39.81**	**[●]**

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

(b) Shareholding of the Promoters and the Promoter Group

The table below presents the shareholding pattern of our Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus:

Sl. No.	Name of the person	No. of Equity Shares	Percentage of pre - Offer shareholding (%)	Percentage of post – Offer shareholding (%)
Promoters				
1.	Maheshkumar N. Vyas	3,848,485	20.95	[●]
2.	Dilipkumar N. Vyas	1,180,355	6.43	[●]
3.	John Oil and Gas Limited	2,283,940	12.43	[●]
Members of the Promoter Group				

Sl. No.	Name of the person	No. of Equity Shares	Percentage of pre - Offer shareholding (%)	Percentage of post – Offer shareholding (%)
4.	Chiragkumar M. Vyas	1,041,960	5.67	[●]
5.	Rasilaben M. Vyas	450,475	2.45	[●]
6.	Abhaben D. Vyas	164,625	0.90	[●]
7.	Chintan M. Vyas	100,000	0.54	[●]
8.	Ruchit D. Vyas	100,000	0.54	[●]
9.	Raj D. Vyas	55,475	0.30	[●]
Total		**9,225,315**	**50.23**	**[●]**

(c) Shareholding of the directors of John Oil and Gas Limited, our corporate Promoter in our Company

Dilipkumar N. Vyas and Bhartiben G Panchal, directors of JOGL, currently hold 1,180,355 and 505,625 Equity Shares, respectively.

(d) Details of Promoters' contribution locked-in for three years

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

Our Company undertakes that all Equity Shares, which are being locked-in, are not ineligible for computation of Promoters' contribution under Regulation 33 of the SEBI ICDR Regulations. Our Promoters have confirmed to the Book Running Lead Managers that the Equity Shares held by our Promoters and which will be locked-in as Promoters' Contribution have been sourced from their own funds or have been allotted pursuant to a bonus issue except for the acquisition of 500,125 Equity Shares on February 28, 2008 for ₹ 200.05 million and 112,325 Equity Shares on March 31, 2008 for ₹ 44.93 million by JOGL, which was part financed out of a loan sanctioned to JOGL by DSP Merrill Lynch Capital Limited.

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

Details of Promoters' contribution are as provided below:

Name of the Promoter	Date of allotment/ transfer*	Nature of transaction	Nature of consideration	No. of Equity Shares locked in	Face value (₹)	Issue Price/ Purchase Price (₹)	Percentage of post-Offer paid-up capital
Maheshkumar N. Vyas	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Dilipkumar N. Vyas	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]
John Oil and Gas Limited	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]

* *All the above Equity Shares were fully paid-up at the time of allotment.*

The Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from the person defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are and will not be ineligible for computation of Promoter's contribution under Regulation 33 of the SEBI ICDR Regulations. In this regard, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets or bonus shares out of revaluations reserves or

- unrealised profits or bonus shares which are otherwise ineligible for computation of Promoters' Contribution;

- Other than the eligible Equity Shares issued pursuant to bonus issues, Promoters' Contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

- The Equity Shares issued to the Promoters upon conversion of a partnership firm; and

- The Equity Shares held by the Promoters that are subject to any pledge.

Our Company further confirms that such Equity Shares shall be held in dematerialised form prior to the filing of the Red Herring Prospectus with the RoC and that these Equity Shares do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of his Equity Shares as a part of the Promoters' Contribution subject to lock-in. For such time that the Equity Shares under the Promoters' Contribution are locked in as per the SEBI ICDR Regulations, the Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer and pledge of such Equity Shares is one of the terms of sanction of loan. For such time that they are locked in as per the SEBI ICDR Regulations, the Equity Shares held by the Promoters in excess of the Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions if the pledge of the Equity Shares is one of the terms of the sanction of the loan. For details regarding the objects of the Offer, see the section titled "*Objects of the Offer*" beginning on page 98.

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

(e) Details of pre-Offer equity share capital locked-in for one year

In addition to the 20.00% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment, except for the Equity Shares held by a VCF, FVCI or Category I or Category II AIF (provided that such Equity Shares shall be locked in for a period of at least one year from the date of purchase by such VCF or AIF or FVCI). Additionally, any unsubscribed portion of the Offer for Sale being offered by the Selling Shareholders would also be locked-in for one year from the date of Allotment as per SEBI ICDR Regulations.

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

(f) Lock in of Equity Shares Allotted to Anchor Investors

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

6. **Details of Equity Shares held by the Selling Shareholders**

Shareholders	Pre-Offer		Offer for Sale		Post-Offer	
	No. of Equity Shares	Percentage of shareholding (%)	No. of Equity Shares offered	Percentage of shareholding (%)	No. of Equity Shares*	Percentage of shareholding (%)
India Rig Company	2,859,867	15.57	800,000	4.36	2,059,867	[●]
IL&FS Financial Services Limited	579,830	3.16	579,830	3.16	-	-
Kalpraj Damji	218,085	1.19	218,085	1.19	-	-

Shareholders	Pre-Offer		Offer for Sale		Post-Offer	
	No. of Equity Shares	Percentage of shareholding (%)	No. of Equity Shares offered	Percentage of shareholding (%)	No. of Equity Shares*	Percentage of shareholding (%)
Dharamshi (jointly with Hina Kalpraj Dharamshi)						
Nilesh S. Shah	10,750	0.06	10,750	0.06	-	-
Shah Vinaben Rashmikant (jointly with Shah Rashmikant Navnitlal)	10,638	0.06	10,638	0.06	-	-
Dr. Jehangir Sorabjee	10,638	0.06	10,638	0.06	-	-
Chetan R. Shah	9,750	0.05	9,750	0.05	-	-
Ushma Sheth Sule	7,400	0.04	7,400	0.04	-	-
Dalal Niraj Deepak (jointly with Dalal Sadhana Deepak)	7,400	0.04	7,400	0.04	-	-
Amit Himatlal Shah	5,878	0.03	5,878	0.03	-	-
Vinay Gopalakrishnan Nair	4,450	0.02	4,450	0.02	-	-
Nirbhay Mahawar	3,750	0.02	3,750	0.02	-	-
Chetan R. Shah (HUF)	3,191	0.02	3,191	0.02	-	-
Sunil Singh	2,128	0.01	2,128	0.01	-	-
Naren R. Shah	1,872	0.01	1,872	0.01	-	-
Salonee A. Sanghvi	1,500	0.01	1,500	0.01	-	-
Shah Rashmikant Navnitlal (jointly with Shah Vinaben Rashmikant)	484	Negligible	484	Negligible	-	-
Total	3,737,611	20.35	1,677,744	9.13	2,059,867	[●]

**Assuming full subscription in the Offer*

7. **Shareholding Pattern of our Company**

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

Category of Shareholder (II)	**No. of share holders (III)**	**No. of fully paid up equity shares held (IV)**	**No. of partly paid-up equity shares held (V)**	**Nos. of shares underlying Depository Receipts (VI)**	**Total nos. shares held (VII = IV+V+VI)**	**Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)**	**Number of Voting Rights held in each class of securities (IX)**				**No. of Shares Underlying Outstanding convertible securities (including warrants) (X)**	**Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of (A+B+C2)**	**Number of Locked in shares (XII)**		**Number of Shares pledged or otherwise encumbered (XIII)**		**Number of Equity Shares held in dematerialised form (XIV)**
							No. of Voting Rights			**Total as a % of (A+B+C)**			**No. (a)**	**As a % of total shares held (b)**	**No. (a)**	**As a % of total shares held (b)**	
							Class eg: X	**Class eg: Y**	**Total**								
Promoter & Promoter Group	9	9,225,315	-	-	9,225,315	50.23	Equity Shares		9,225,315	50.23	-	50.23	-	-		-	9,225,315
Public	44	9,142,139	-	-	9,142,139	49.77	Equity Shares		9,142,139	49.77	-	49.77	-	-		-	89,13,416
Non Promoter- Non Public																	
Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Total	**53**	**18,367,454**	**-**	**-**	**18,367,454**	**100.00**	**-**	**-**	**18,367,454**	**100.00**	**-**	**100.00**	**-**	**-**		**-**	**1,81,38,731**

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

(a) On the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Shareholder	No. of Shares	Percentage of pre-Offer Equity Share capital(%)
1.	Maheshkumar N. Vyas	3,848,485	20.95
2.	Rakesh Radheshyam Jhunjhunwala	3,345,169	18.21
3.	India Rig Company	2,859,867	15.57
4.	John Oil and Gas Limited	2,283,940	12.43
5.	Dilipkumar N. Vyas	1,180,355	6.43
6.	Chiragkumar M. Vyas	1,041,960	5.67
7.	ICICI Bank Limited	820,967	4.47
8.	IL&FS Financial Services Limited	579,830	3.16
9.	Bhartiben Gunvantray Panchal	505,625	2.75
10.	Rasilaben M. Vyas	450,475	2.45
	Total	1,6916,673	92.10

(b) Ten days prior to the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Shareholder	No. of Shares	Percentage of pre-Offer Equity Share capital (%)
1.	Maheshkumar N. Vyas	3848,485	20.95
2.	Rakesh Radheshyam Jhunjhunwala	3,345,169	18.21
3.	India Rig Company	2,859,867	15.57
4.	John Oil and Gas Limited	2,283,940	12.43
5.	Dilipkumar N. Vyas	1,180,355	6.43
6.	Chiragkumar M. Vyas	1,041,960	5.67
7.	ICICI Bank Limited	820,967	4.47
8.	IL&FS Financial Services Limited	579,830	3.16
9.	Bhartiben Gunvantray Panchal	505,625	2.75
10.	Rasilaben M. Vyas	450,475	2.45
	Total	16,916,673	92.10

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

S. No.	Name of the Shareholder	No. of Shares	Percentage of pre-Offer Equity Share capital (%)
1.	Maheshkumar N. Vyas	3,848,485	20.95
2.	Rakesh Radheshyam Jhunjhunwala	3,345,169	18.21
3.	India Rig Company	2,859,867	15.57
4.	John Oil and Gas Limited	2,283,940	12.43
5.	Dilipkumar N. Vyas	1,180,355	6.43
6.	Chiragkumar M. Vyas	941,960	5.13
7.	IL&FS Financial Services Limited	579,830	3.16
8.	Bhartiben Gunvantray Panchal	505,625	2.75
9.	Rasilaben M. Vyas	450,475	2.45
10.	Natvarlal Shankarlal Vyas	355,475	1.94
	Total	**16,351,181**	**89.02**

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

Other than as disclosed below, there has been no purchase or sale of Equity Shares or the securities of our Subsidiaries by our Promoters, Promoter Group, Directors or their immediate relatives or directors of JOGL, our corporate Promoter, during the six-month period immediately preceding the date of filing of this Draft Red Herring Prospectus**.**

Date of transaction	Nature of transaction	Number of Equity Shares	Purchase price per Equity Share (₹)
December 8, 2017	Gift from Natvarlal S. Vyas to Chiragkumar M. Vyas	100,000	Nil
December 8, 2017	Gift from Natvarlal S. Vyas to Chintan Vyas	100,000	Nil
December 8, 2017	Gift from Natvarlal S. Vyas to Ruchit D. Vyas	100,000	Nil
December 18, 2017	Gift from Natvarlal S. Vyas to Raj D. Vyas	55,475	Nil

10. **Details of Equity Shares held by our Directors and Key Managerial Personnel**

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

S. No.	Name of the Director/KMPs	Director/Key Managerial Personnel	Number of Equity Shares held	Percentage of pre-Offer Equity Share Capital (%)	Percentage of post-Offer Equity Share Capital (%)
1.	Maheshkumar N. Vyas	Managing Director	3,848,485	20.95	[●]
2.	Dilipkumar N. Vyas	Whole-time Director	1,180,355	6.43	[●]
3.	Chiragkumar M. Vyas	Whole-time Director	1,041,960	5.67	[●]
4.	Rajiv A. Agarwal	Director	19,070	0.10	[●]
5.	Patel Natubhai Meghjibhai	Director	13,915	0.08	[●]
Total			**6,103,785**	**33.23**	

11. The Equity Shares, which are subject to lock-in, shall be transferable subject to compliance with the SEBI ICDR Regulations. The details of lock-in shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

12. Our Company, the Selling Shareholders, our Directors and the BRLMs have not entered into any buyback, safety net and/or standby arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through this Offer.

13. There are no financing arrangements whereby the Promoters, the Promoter Group, Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing this Draft Red Herring Prospectus with SEBI.

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

15. Our Company has not raised any bridge loans which are proposed to be repaid from the Net Proceeds of the Offer.

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

17. The Equity Shares issued pursuant to this Offer shall be fully paid-up.

18. Our Company shall not make any further issue of Equity Shares and/or any securities convertible into Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner, during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

19. Our Company presently does not have any intention or proposal, and has not entered into negotiations nor are considering to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of equity (including issue of securities convertible into or exchangeable for, directly or indirectly, for our Equity Shares) whether on a preferential basis or bonus or rights issue or further public offering or qualified institutions placement or otherwise, except that if our Company enters into acquisitions, joint venture(s) or any other arrangements, our Company may consider raising additional capital to fund such activities or to use Equity Shares as a currency for acquisitions or participation in such joint ventures at any time during the aforementioned six

months.

20. There are certain restrictive covenants in the loan facility agreements entered into by our Company with certain lenders. For further details, please refer to the chapter "*Financial Indebtedness*" beginning on page 507.

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

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

23. Our Promoters and members of the Promoter Group will not participate in the Offer.

24. The Company has 53 Shareholders as on the date of this Draft Red Herring Prospectus.

25. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Selling Shareholders, the Directors, the Promoter Group and the KMPs, 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. None of the Equity Shares held by the Promoters or members of our Promoter Group are pledged or otherwise encumbered.

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

28. As on the date of this Draft Red Herring Prospectus, neither the BRLMs nor their associates hold any Equity Shares.

29. Except as disclosed in this Draft Red Herring Prospectus, none of the beneficiaries of loans, advances and sundry debtors are related to our Directors.

30. Any oversubscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearer multiple of minimum allotment lot while finalizing the allotment, subject to minimum allotment being equal to [●] Equity Shares, which is the minimum Bid size in this Offer.

31. The Offer is being made for at least 25% of the post Offer paid-up capital pursuant to Rule 19(2)(b)(i) of SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, the Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation to QIBs on a proportionate basis. Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the QIB Portion. Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer will be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, such that subject to availability of Equity Shares, each Retail Individual Bidder shall be allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

32. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead

Managers 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.

33. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder. For further details, please refer to the chapter "*Offer Procedure*" beginning on page 540.

34. For details of our related party transactions, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Restated Party Transactions*" on page 504.

35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of registering the Red Herring Prospectus with the RoC and the Bid/Offer Closing Date, if any, shall be reported to the Stock Exchanges within 24 hours of such transaction.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company of such number of Equity Shares aggregating up to ₹ 2,180.00 million and an Offer for Sale of up to 1,677,744 Equity Shares by the Selling Shareholders.

The Offer for Sale

The Selling Shareholders will be entitled to the proceeds of the Offer for Sale of their respective portion of the Equity Shares after deducting their portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. All expenses in relation to the Offer other than the listing fees (which shall be borne by our Company) shall be shared among our Company and the Selling Shareholders in accordance with applicable laws. Each Selling Shareholder shall reimburse our Company for all expenses incurred in relation to the Offer for Sale on behalf of such Selling Shareholder.

Fresh Issue

Our Company intends to utilize the Net Proceeds from the Fresh Issue towards the following objects:

1. Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company; and

2. General corporate purposes.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enables our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue and for which the loans proposed to be repaid from the Net Proceeds were utilised. In addition, we expect to achieve the benefit of listing of our Equity Shares on the Stock Exchanges.

Net Proceeds

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

Particulars	Estimated Amount* (₹ million)
Gross proceeds from the Fresh Issue	[●]
Less: Offer related expenses to be borne by our Company*#	[●]
Net Proceeds*	[●]

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

Means of Finance

We confirm that there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing identifiable internal accruals.

Requirement of Funds and Utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(*₹ in million*)

Particulars	Fiscal 2019	Total
Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company	1,640.00	1,640.00
General corporate purposes*	[●]	[●]
Total	**[●]**	**[●]**

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

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects during Fiscal 2019. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, the same shall be utilised in the next Fiscal. Similarly, subject to our business considerations, our Company may also use the Net Proceeds in the preceding Fiscal, if it is in the best interests of our Company.

Details of Utilisation of Net Proceeds

The details of utilisation of the Net Proceeds are set forth herein below:

1. Prepayment or repayment of all or a portion of certain borrowings availed by our Company

Our Company proposes to utilise an aggregate amount of ₹ 1,640.00 million from the Net Proceeds towards full or partial re-payment or prepayment of the loans availed by our Company. The selection and extent of loans proposed to be repaid from our Company's loans mentioned below will be based on various commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, levy of any prepayment penalties and the quantum thereof, provisions of any law, rules, regulations governing such borrowings, terms of pre-payment to lenders, if any and mix of credit facilities provided by lenders.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds for part prepayment of any such refinanced loans repayment of or additional loan facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of loans (including refinanced or additional loans availed, if any), in part or full, would not exceed ₹ 1,640.00 million.

Our Company believes that such repayment/pre-payment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, our Company believes that the strength of our balance sheet and the leverage capacity of our Company will further improve, which shall enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

The following table provides details of loans availed by our Company as on December 31, 2017, which we propose to prepay or repay, in full or in part, from the Net Proceeds of an aggregate amount of ₹ 1,640.00 million:

(₹ in million)

S. No.	Name of Lender	Nature of Borrowing	Date of the Loan Agreements/ Sanction Letters	Applicable Interest rate (%)	Sanction amount as on December 31, 2017	Outstanding amount as on December 31, 2017	Repayment schedule	Purpose of availing the Loan	Pre-payment penalty, if any
1.	State Bank of India	Cash credit facility	Sanction letter dated February 18, 2017	9.50%	520.00	501.52	Repayable on demand	Working capital	Not applicable
2.		Stand by line of credit	Sanction letter dated October 30, 2014 and facility agreement dated April 13, 2015	10.50%	150.00	150.00	Repayable on demand	Working capital	Not applicable
3.		Corporate Loan	Sanction letter dated July 20, 2013	11.80%	400.00	265.00	24 quarterly instalments after moratorium period of 4 quarters. Repayment commenced from the quarter July - September	-	Nil

S. No.	Name of Lender	Nature of Borrowing	Date of the Loan Agreements/ Sanction Letters	Applicable Interest rate (%)	Sanction amount as on December 31, 2017	Outstanding amount as on December 31, 2017	Repayment schedule	Purpose of availing the Loan	Pre-payment penalty, if any
							2014 (first three instalments of ₹ 5.00 million each, next eight instalments of ₹ 10.00 million each, next four instalments of ₹ 20.00 million each, next nine instalments of ₹ 25.00 million each)		
4.	Standard Chartered Bank	Working capital facility	Sanction letter dated November 8, 2010 and last amended by supplemental facility letter dated November 7, 2016	6.51% (Margin + LIBOR)	400.00	392.80	Within 120 days from date of disbursement	Working capital for deemed export projects and exports	As stipulated by the bank at the time of prepayment.
5.	ICICI Bank Limited	Corporate rupee term loan	Sanction letter dated January 19, 2015 and facility agreement dated February 16, 2015	11.85%	200.00	182.40	26 quarterly instalments, first instalment being due at the end of 30 months from the date of first drawdown i.e. February 23, 2015	Funding of normal capital expenditure and other capital expenses relating to existing rigs of our Company	Not applicable
6.		Corporate rupee term loan	Credit agreement letter dated June 2, 2015 and facility agreement dated June 8, 2015	11.85%	100.00	100.00	26 quarterly instalments, first instalment being due at the end of 30 months from the date of first drawdown i.e. September 24, 2015	Funding of normal capital expenditure and other capital expenses relating to existing rigs of our Company	Not applicable

S. No.	Name of Lender	Nature of Borrowing	Date of the Loan Agreements/ Sanction Letters	Applicable Interest rate (%)	Sanction amount as on December 31, 2017	Outstanding amount as on December 31, 2017	Repayment schedule	Purpose of availing the Loan	Pre-payment penalty, if any
7.	HDFC Bank Limited	Cash credit facility	Sanction letter dated June 21, 2017	10.25% (1 Year MCLR + 210 bps p.a.)	100.00	100.00	Repayable on demand	Working capital	Nil
8.	Axis Bank Limited	Cash credit facility	Sanction letter dated September 23, 2016	9.90% (3 Months MCLR + 1.90% p.a.)	100.00	99.46	Repayable on demand	Working capital	Not applicable

*As certified by B. R. Shah & Associates, Chartered Accountants (FRN: 0129053W), through their certificate dated February 15, 2018 ("**Utilisation Certificate**").*

The selection of borrowings proposed to be repaid and/or pre-paid shall be based on various factors including: (i) any conditions attached to the loans restricting our ability to prepay the loans and time taken to fulfil such requirements; (ii) provisions of any law, rules, regulations and contracts governing such borrowings; and (iii) other commercial considerations including, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Some of the financing documents do not expressly set out the pre-payment charges/penalties, however, our lenders may levy certain penalties or charges in case of pre-payment of borrowings. Our Company will take such factors into consideration while deciding the loans to be repaid and /or pre-paid from the Net Proceeds.

We will take such provisions into consideration while deciding the loans to be pre-paid from the Net Proceeds. Payment of such pre-payment penalty, if any, shall be made from the Net Proceeds. In the event that the Net Proceeds are insufficient for such pre-payment penalty, the payment shall be made from the existing internal accruals of our Company. We may also be required to provide notice to some of our lenders prior to pre-payment.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see *"Financial Indebtedness"* on page 507.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 1,640.00 million, towards general corporate purposes, subject to such utilisation not exceeding 25 % of the Gross Proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations, including but not limited to strategic initiatives, acquisitions, partnerships and joint ventures strengthening of our marketing and distribution capabilities, meeting our working capital requirements, meeting exigencies which our Company may face in the ordinary course of business, meeting fund requirements which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act and SEBI ICDR Regulations. Our Company's management, in accordance with the policies of the Board subject to applicable laws, will have flexibility in utilising any surplus amounts.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. All expenses in relation to the Offer other than the listing fees (which shall be borne by our Company) will be shared between our Company and the Selling Shareholders on a pro-rata basis in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Selling Shareholder in the Offer for Sale, in accordance with applicable law. However, in the event that the Offer is withdrawn by our Company for any reason whatsoever, all the Offer related expenses will be borne by our Company. Any payments by our Company in relation to the Offer expenses on behalf of the Selling Shareholder shall be reimbursed by the Selling Shareholder to our Company.

The break-up for the Offer expenses is as follows:

Activity	Estimated expenses[(1)] (in ₹ million)	As a % of the total estimated Offer expenses[(1)]	As a % of the total Offer size[(1)]
BRLMs fees (including underwriting commission	[●]	[●]	[●]
Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs[(3)(4)]	[●]	[●]	[●]
Selling Commission and/processing charges for SCSBs[(2)]	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Printing and stationery charges			
Advertising and marketing expenses	[●]	[●]	[●]
Others	[●]	[●]	[●]
- BSE and NSE Processing fees, SEBI filing fees, book building software fees	[●]	[●]	[●]
- Fees payable to legal counsels and other agencies	[●]	[●]	[●]
- Miscellaneous (listing fees, audit fees or other charges)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *Amounts will be finalised on determination of Offer Price and other details.*

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

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

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

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

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

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

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

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

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

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

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

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

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

The selling commission or charges, as the case may be, payable to SCSBs, members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs is subject to finalization of the Basis of Allotment.

Interim use of proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds of the Offer pending utilisation for the purposes stated in this section shall be deposited only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including any other short-term instrument like non-convertible debentures, commercial papers, etc. pending receipt of the Net Proceeds.

Monitoring of Utilisation of Funds

Our Company shall appoint a monitoring agency in relation to the Fresh Issue as required under the SEBI ICDR Regulations prior to filing of the Red Herring Prospectus. Our Board will monitor the utilisation of the Net Proceeds through its Audit Committee and the Monitoring Agency will monitor the utilization of Net Proceeds of the Offer and submit its report to us in terms of Regulation 16(2) of SEBI ICDR Regulations. Our Company will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilised. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of directors the uses and applications of the Net Proceeds, on a quarterly basis. Our Company shall on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Offer from the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee of the Board of Directors.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Offer without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as prescribed in Chapter VI-A of the SEBI ICDR Regulations.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any bank/financial institution.

Other Confirmations

Apart from the proceeds from the Offer for Sale by the Selling Shareholders, no part of the proceeds from the Offer will be paid by us to the Promoters and Promoter Group, the Directors, associate or Key Management Personnel. Our Company has not entered into and is not planning to enter into any arrangement/agreements with Promoters, Promoter Group, Directors and Key Management Personnel in relation to the utilization of the Net Proceeds. Further, except in the ordinary course of business, there is not existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the Face Value at the lower end of the Price Band and [●] times the Face Value at the higher end of the Price Band. Investors should also refer to the sections titled "*Our Business*", "*Risk Factors*" and "*Financial Statements*" on pages 134, 17 and 197, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that the following business strengths allow us to successfully compete in the industry:

- Being one of the leading Oil & Gas service providers with focus on upstream services;
- Strong project execution capabilities and significant equipment base suited to diverse and challenging operating conditions;
- Established relationships with major upstream players;
- Experience in executing contracts outside of India;
- Track record of operating in varied conditions and with focus on quality and high operating standards; Strong order book; and
- Strong management and skilled resource pool.

For details, see sub-section titled "*Our Business – Our Competitive Strengths*" on page 135.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Standalone Financial Information and the Restated Consolidated Financial Information prepared in accordance with Indian GAAP and Ind AS (as applicable) and the Companies Act and restated in accordance with the SEBI ICDR Regulations. For details, see section titled "*Financial Statements*" on page 197.

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

A. Basic and Diluted Earnings Per Share ("EPS"), as adjusted for change in capital

On a standalone basis:

Financial Year/Period ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	7.26	1	6.94	1
March 31, 2016	(0.79)	2	(0.79)	2
March 31, 2017	22.07	3	22.07	3
Weighted Average	**11.98**		**11.93**	
Six months period ended September 30, 2017*	0.12		0.12	

**Not annualised*

On a consolidated basis:

Financial Year/Period ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	19.16	1	18.31	1
March 31, 2016	16.55	2	15.82	2
March 31, 2017	39.46	3	39.46	3

Financial Year/Period ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
Weighted Average	**28.44**		**28.06**	
Six months period ended September 30, 2017*	8.89		8.89	

**Not annualised*

Note:

1. *Basic and Diluted earnings per share (EPS) calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *The ratios have been computed as below:*
    a. *Basic earnings per share = Restated profit after tax attributable to equity shareholders for the year / weighted average number of shares outstanding during the year;*
    b. *Diluted earnings per share = Restated profit after tax attributable to equity shareholders / weighted average number of diluted shares outstanding during the year*

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

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS as per the Restated Standalone Financial Information for the year ended March 31, 2017	[●]	[●]
Based on basic EPS as per the Restated Consolidated Financial Information for the year ended March 31, 2017	[●]	[●]
Based on diluted EPS as per the Restated Standalone Financial Information for the year ended March 31, 2017	[●]	[●]
Based on diluted EPS as per the Restated Consolidated Financial Information for the year ended March 31, 2017	[●]	[●]

C. Industry Peer Group P/E ratio

Not Applicable, as there are no listed entities similar to our line of business and comparable to our scale of operations.

D. Return on Net Worth ("RoNW")

As per Restated Standalone Financial Information:

Financial Year/Period ended	RoNW (%)	Weight
March 31, 2015	2.65	1
March 31, 2016	(0.29)	2
March 31, 2017	7.80	3
Weighted Average	4.24	
Six months period ended September 30, 2017*	0.04	

**Not annualised*

As per Restated Consolidated Financial Information:

Financial Year/Period ended	RoNW (%)	Weight
March 31, 2015	6.72	1
March 31, 2016	5.55	2
March 31, 2017	12.04	3
Weighted Average	8.99	
Six months period ended September 30, 2017*	2.71	

**Not annualised*

Note:

1. *Return on net worth (%) = Restated profit after tax attributable to equity shareholders for the year / net worth as at the end of year/period*
2. *'Net worth' has been defined as the aggregate of the paid up share capital share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of the miscellaneous expenditure (unamortized pre operating expenses) (to the extent not adjusted or written-off).*

E. Minimum Return on Increased Net Worth after Offer needed to maintain Pre-Offer EPS for the year ended March 31, 2017

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer basic EPS		
As per Restated Standalone Financial Information	[•]%	[•]%
As per Restated Consolidated Financial Information	[•]%	[•]%
To maintain pre-Offer diluted EPS		
As per Restated Standalone Financial Information	[•]%	[•]%
As per Restated Consolidated Financial Information	[•]%	[•]%

F. Net Asset Value ("NAV") per Equity Share of face value of ₹ 10 each

Financial year ended	Restated Standalone Financial Information (₹)	Restated Consolidated Financial Information (₹)
As on September 30, 2017	274.69	327.58
As on March 31, 2017	278.48	322.58
Offer Price	[●]	[●]
After the Offer	[●]	[●]
• At the Floor Price	[●]	[●]
• At the Cap Price	[●]	[●]

Note:

1. *Net asset value = Net Worth at the end of the year/period / Number of equity shares outstanding at the end of the year/period*

G. Comparison with Listed Industry Peers

Not Applicable. There are no listed entities similar to our line of business and comparable to our scale of operations.

H. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLMs on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with the sections titled "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 17, 134, 476 and 197, respectively, to have a more informed view.

STATEMENT OF TAX BENEFITS

To

The Board of Directors
John Energy Limited
101, Shapath-3,
Near GNFC Tower,
Sarkhej Gandhinagar Highway,
Ahmedabad – 380 054
Gujarat

Date: 15 February 2018

Dear Sirs**,**

Subject: Statement of possible special tax benefits ('the Statement') available to John Energy Limited ('the Company') and its Shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulations')

We report that the enclosed Annexure prepared by the Company, states the possible special tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 ('the Act') and Income-tax Rules, 1962 (together 'tax laws'), presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only possible special tax benefits available and do not cover any general tax benefits available to the Company or its Shareholders. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the Management of the Company. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company ('the **Offer'**) 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 possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on this Statement.

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

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

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

The contents of the enclosed Statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

We hereby give consent to include this Statement of tax benefits in the draft red herring prospectus, red herring prospectus, the prospectus and in any other material used in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Associates LLP**
Chartered Accountants
ICAI firm registration number: 116231W/W-100024

Jeyur Shah
Partner
Membership No.: 045754

Place: Ahmedabad
Date: 15 February 2018

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2017-18 relevant to the assessment year 2018-19). These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the Special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

A. Special Tax Benefits to the Company

1. Foreign Tax Credit under Section 91 of the Act

The following specific tax benefits may be available to the Company after fulfilling conditions as per the respective provisions of the relevant tax laws on certain eligible projects/contracts:

Section 91 of the Act allows the resident assessee to claim credit of the taxes paid in the country other than India with which India do not have Double Taxation Avoidance Agreement.

The Company being resident of India, if it derives any income from a country other than India which is not deemed to accrue or arise India and there are no agreement under Section 90 for the relief or avoidance of double taxation with such country, then the Company shall be entitled to the deduction from the Indian income tax payable by them of a sum calculated on such doubly taxed income at the Indian rate of tax or the rate of tax of the said country, whichever is lower.

Effective AY 2017-18, Rule 128 of the Income-Tax Rules, 1962 provides that any tax payable under provisions of Section 115JB of the Act, the credit of foreign tax shall be allowed in the same manner as allowable under normal provisions of the Act. However, where the amount of foreign tax credit available against the tax payable under the provisions of section 115JB exceeds the amount of tax credit available against the normal provisions, then while computing the amount of credit under section 115JAA in respect of the taxes paid under section 115JB, as the case may be, such excess shall be ignored.

B. Special Tax Benefits to the Shareholders of the Company under the Act

There are no special tax benefits available to the shareholders under the Act

Notes:

1) All the above benefits are as per the current Income Tax law, rules and regulations thereunder and any change or amendment in the laws/regulation, which when implemented would impact the same.

2) The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.

3) In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the Offer.

4) The above statement of possible special tax benefits sets out the provisions of Income Tax law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares held as investment (and not as stock in trade). Investors are advised to consult their tax advisors with respect to the tax consequences of the purchase, ownership and disposal of the Equity Shares.

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

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section has been obtained or derived from the "Oil and Gas Industry – January 2018" by CARE Research (the "**CARE Report**") as well as other industry sources and government publications. The information presented in this section, including forecasts and projections, have not been prepared or verified by us, our Directors, Promoters, the BRLMs, employees, or their respective Affiliates or advisors or any party involved in the Offer, and no representation is made here-in of its accuracy.*

The CARE Report is prepared by CARE Research, an independent division of CARE Ratings Limited. CARE Research, has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in the CARE Report is guaranteed. CARE Research operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in the CARE Report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.

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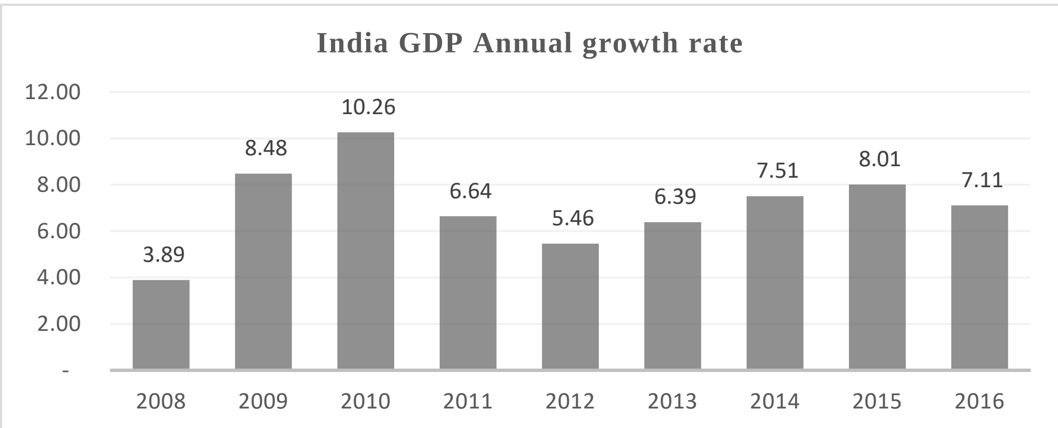
OVERVIEW OF THE INDIAN ECONOMY

The Indian economy is uniquely positioned in the context of current global political and economic realities. For three years running now the economy has been dubbed by leading global institutions such as the IMF and the World Bank as 'one of the few bright spots' internationally. The GDP expansion record in recent years has put India at the head of the pack of large economies in terms of growth as well as potential for future progress. The capital markets, among the most developed and efficient in the world, are riding a strong wave of growth borne out by robust y-o-y increase in FDI inflows. In fact, FII investments ($8.84 bn) in the Indian capital market in March hit a record high in about 15 years. Low commodity prices in global markets have supported the easing of the current account deficit while restraining both retail and wholesale inflation within manageable limits of 5% to 6%. Despite a tepid international economy and a temporary demand shock in the domestic economy due to the ambitious rollout of 'demonetization', GDP growth rate for FY'2016-17, as per figures released by the Central Statistics Office, stood at 7.1%. On the other side, GST also promises unification of India's vast domestic market and is among several key structural reforms that is expected to push higher growth (above 8%) in the medium term.



Source: World Bank

Notwithstanding the drop in growth relative to FY 2015-16, the economy's performance has exceeded the estimates and is well stationed for a sustained period of strong economic output, driven by an investor-friendly environment, meaningful policy reforms such as the GST implementation among others, priority focus to the manufacturing sector, increasing digitalization and use of IT infrastructure and a healthy outlook on domestic demand and consumption.

India is expected to be the third largest consumer economy as its consumption may triple to US$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

The Indian economy was regarded as one of the best performing ones in the last few years. The following table shows the growth rate over the period of time for world's leading nations.

GDP YoY growth (%)	CY15	CY16	CY17	CY18e	CY19e
Developed Economies					
United States	2.9	1.5	2.2	2.3	1.9
Japan	1.1	1	1.5	0.7	0.8
United Kingdom	2.2	1.8	1.7	1.5	1.6
Emerging Economies					
India	8	7.1	6.7	7.4	7.8
China	6.9	6.7	6.8	6.5	6.3
Russia	-2.8	-0.2	1.8	1.6	1.5
World	3.4	3.2	3.6	3.7	3.7

Source: IMF -World Economic Outlook, October 2017
e – estimated

As shown, the GDP growth rate in the developing countries are higher. The United States is an example of developed economy or mature market that has been experiencing growth on a lower scale, around 2%, than most of the emerging economies. In addition, UK, Japan have growth rates far lower than the growth rates for India and China.

OIL & GAS SECTOR

How Is Crude Oil and Natural Gas Used?

Crude Oil

Crude oil generates heat. Heating it or other petroleum products can warm homes in colder weather, making modern living possible even in colder climates. This oil also produces energy, when burned, the energy is released and can be harnessed for various products.

This product makes machinery move by providing the lubrication oil that modern industrial equipment depends on to run smoothly. Crude is also used to create the asphalt that cars and trucks move on.

Petroleum provides the ingredients that are essential in products like soaps, detergents, and paints. This product also makes modern furniture manufacturing possible. It takes about 16 gallons of crude oil to produce a typical modern sofa. Crude is also an integral part of modern textile production.

Natural Gas

It is used for both energy and non-energy purposes.

- As energy, natural gas is used in the power sector, sponge iron industry, tea plantation etc. It is more energy-efficient compared to coal.
- For non-energy, use it is used as feedstock in fertilizer and petrochemical industry.
- In compressed form, natural gas can also be used as an automobile fuel (CNG). CNG is made by compressing purified natural gas and is typically stored and distributed in hard containers. With CNG, the gas volume is reduced by 200 times.
- Domestic use: Natural gas in the form of LPG (Propane) is widely used for cooking, drying and heating purpose.

The industries where Oil and gas is used are cited below

1. Power
2. Fertilisers
3. CGD
4. Industrial
5. Petrochemicals/Refineries

Overview of Global Oil & Gas Sector

In the year 2015, oil price was affected due to strong production from the OPEC. In contrary, 2016 was a year of recovery for the oil market with oil demand again increasing robustly. Global oil demand grew by 1.6 million barrels per day (Mb/d) due to oil importers, with both India (0.3 Mb/d) and Europe (0.3 Mb/d) posting unusually strong increases. Although, growth in China (0.4 Mb/d) and the US (0.1 Mb/d) was more subdued.

The U.S. Energy Information Administration (EIA) estimates total U.S. crude oil production to average 9.2 million/bbl per day in 2017 and 9.9 million/bbl per day in 2018 which would mark the highest annual average production in U.S history surpassing the previous record of 9.6 million/bbl per day in 1970. But on the flipside, if OPEC/ non-OPEC cuts are extended through the end of 2018 then the oil market would remain in modest under supply until 2019.

Production in the Middle East rose by 1.7 million b/d, driven by Iran (+700,000 b/d) Iraq (+400,000 b/d) and Saudi Arabia (+400,000 b/d, but this was largely offset by declines in North America, South & Central America, Africa and Asia Pacific. Production outside of the Middle East fell by 1.3 million b/d, with the largest declines in the US (-400,000 b/d), China (-310,000 b/d) and Nigeria (-280,000 b/d).

The Global proved oil reserves in 2016 rose by 15 billion barrels (0.9%) to 1707 billion barrels, which would be sufficient to meet 50.6 years of global production at 2016 levels. The increase came largely from Iraq (10 billion barrels) and Russia (7 billion barrels). Venezuela has the world's largest proved oil reserves with 300.9 thousand million barrels.

Global Crude Oil industry CY16								
Reserves			Production			Consumption		
Country	Bn Barrel	% of Global	Country	tbpd*	% of Global	Country	tbpd*	% of Global
Venezuela	300.9	17.6%	US	12354	13.4%	US	19631	20.3%
Saudi Arabia	266.5	15.6%	Saudi Arabia	12349	13.4%	China	12381	12.8%
Canada	171.5	10.0%	Russian	11227	12.2%	India	4489	4.6%
Iran	158.4	9.3%	Iran	4600	5.0%	Japan	4037	4.2%
Iraq	153.0	9.0%	Iraq	4465	4.8%	Total Africa	3937	4.1%
Russia	109.5	6.40%	Canada	4460	4.8%	Saudi Arabia	3906	4.0%
Kuwait	101.5	5.90%	UAE	4073	4.4%	Russian	3203	3.3%
United Arab Emirates	97.8	5.7%	China	3999	4.3%	Brazil	3018	3.1%
Libya	48.4	2.8%	Kuwait	3151	3.4%	South Korea	2763	2.9%
US	47.987	2.8%	Brazil	2605	2.8%	Germany	2394	2.5%

*Source: BP Statistical Review of World energy 2017 *thousand barrel per day*

Similarly, the global natural gas proved reserves in 2016 rose by around 1 trillion cubic meters (0.6%) to 186.6 trillion cubic meters, which would be sufficient to meet 52.5 years of global production at 2016 levels. Iran has the world's largest Natural Gas reserves with 1183 tcf or 33.5 tcm with a total share of 18%. The highest production and consumption is with the US with 749.2 bcm and 778.6 bcm respectively.

Global Natural Gas Industry CY2016								
Reserves			Production			Consumption		
Country	TCF	% of Global	Country	BCM	% of Global	Country	BCM	% of Global
Iran	1183.0	18.0%	US	749.2	21.1%	US	778.6	22.0%
Russian	1139.6	17.3%	Russian	579.4	16.3%	Russian Federation	390.9	11.0%
Qatar	858.1	13.0%	Iran	202.4	5.7%	China	210.3	5.9%
Turkmenistan	617.3	9.4%	Qatar	181.2	5.1%	Iran	200.8	5.7%
US	307.7	4.7%	Canada	152.0	4.3%	Japan	111.2	3.1%
Saudi Arabia	297.6	4.5%	China	138.4	3.9%	Saudi Arabia	109.4	3.1%
UAE	215.1	3.3%	Norway	116.6	3.3%	Canada	99.9	2.8%

Global Natural Gas Industry CY2016								
Reserves			Production			Consumption		
Country	TCF	% of Global	Country	BCM	% of Global	Country	BCM	% of Global
Venezuela	201.3	3.1%	Saudi Arabia	109.4	3.1%	Mexico	89.5	2.5%
China	189.5	2.9%	Algeria	91.3	2.6%	Germany	80.5	2.3%
Nigeria	186.6	2.8%	Australia	91.2	2.6%	United Kingdom	76.7	2.2%

Source: BP Statistical Review of World energy 2017
**tcf: trillion cubic feet and Bcm: billion cubic meter*
1 cubic meter= 35.32 cubic feet approx.

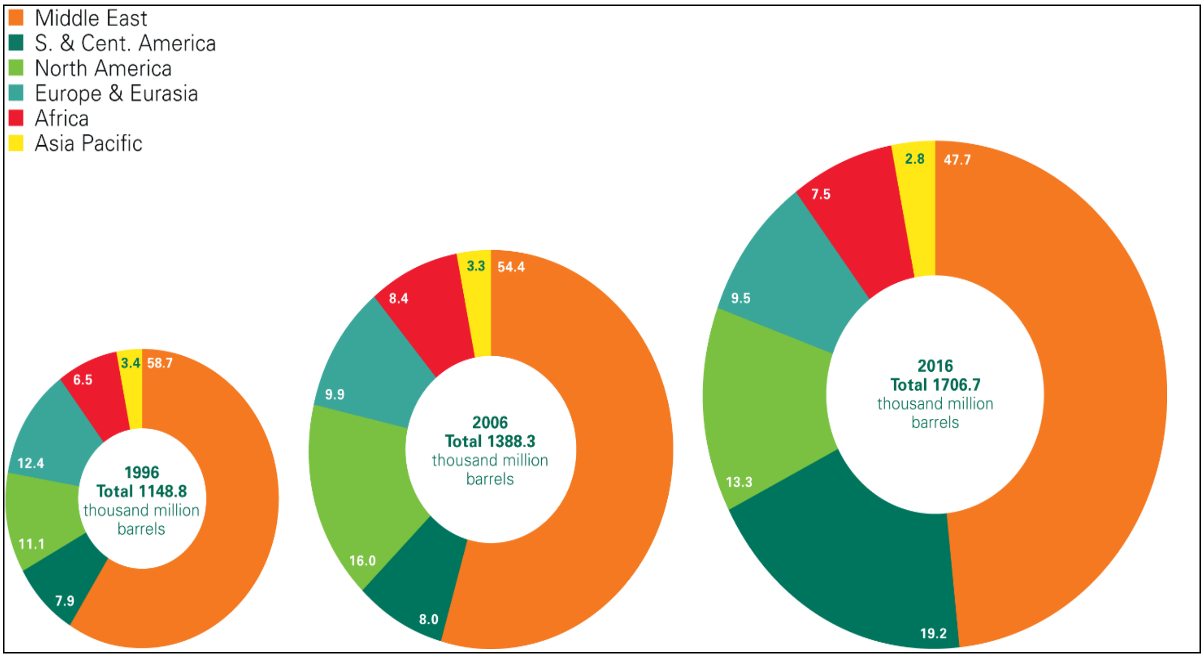
Crude oil

Reserves

World's proved oil reserves have increased by 1% to 1706.7 bn barrels at the end of CY16. Out of the total proved reserves, close to 47.66% is contributed by the total mid-east region followed by south and Central America with a contribution of around 19.2%. Proved reserves attributable to OPEC has been around 1220bn barrels or 71.5% of the total global proved reserves.

R/P ratio is estimated by dividing the reserves remaining at the end of any year by the production in that year. It indicates the number of years that the remaining reserves would last if production were to continue at the same rate. In CY16, South and Central America showed the highest R/P ratio of around 120 years followed by Middle-east with 70 years. Also, the world's largest oil consumer region, Asia-Pacific has R/P ratio of 16.5 years.

Global proved oil reserves



Source: BP Statistical Review of world energy 2017

Production

The World's Oil production grew the slowest since 2013 and was increased by 0.4 million b/d in 2016. Though the production in Middle East rose by 1.7 million b/d driven the highest by Iran (0.7 mb/d) and then Iraq and Saudi Arabia by 0.4mb/d. This was largely offset by declines in North America, South and Central America, Africa and Asia pacific. Production outside the Middle East fell by 1.3 percent mb/d with the largest decline in the US (-0.4mb/d) and then China (-0.31 mb/d).

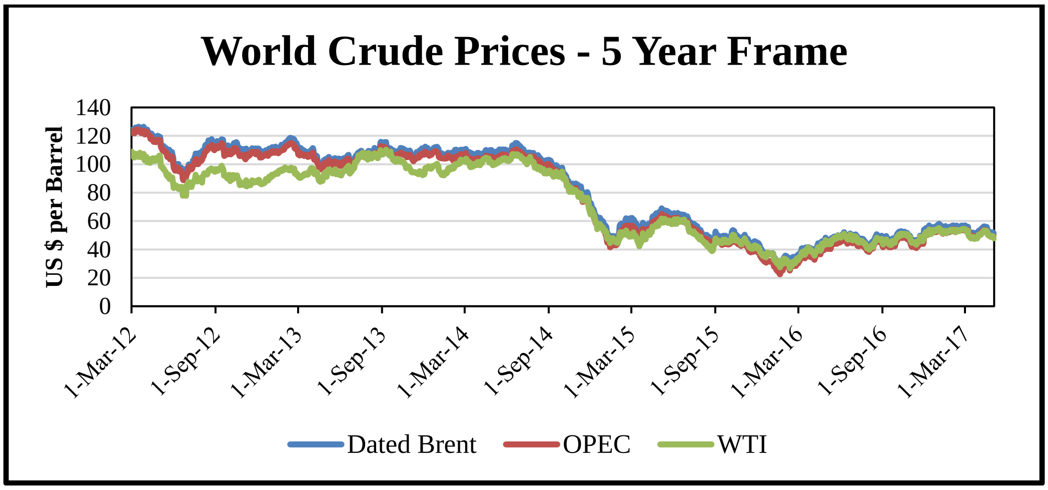
Share of the OPEC countries in the global production has remained intact to about 42.1% (PY: 42.4%). OPEC crude oil supply slightly decreased to 36.8 mb/d in CY16 from 37.4 mb/d. Saudi Arabia remained the biggest contributor to the OPEC supplies, producing 11.5 mb/d. OPEC's ability to influence global oil markets has gone down significantly due to large discoveries of crude oil in Alaska, the North Sea, Canada and the Gulf of Mexico.

Consumption

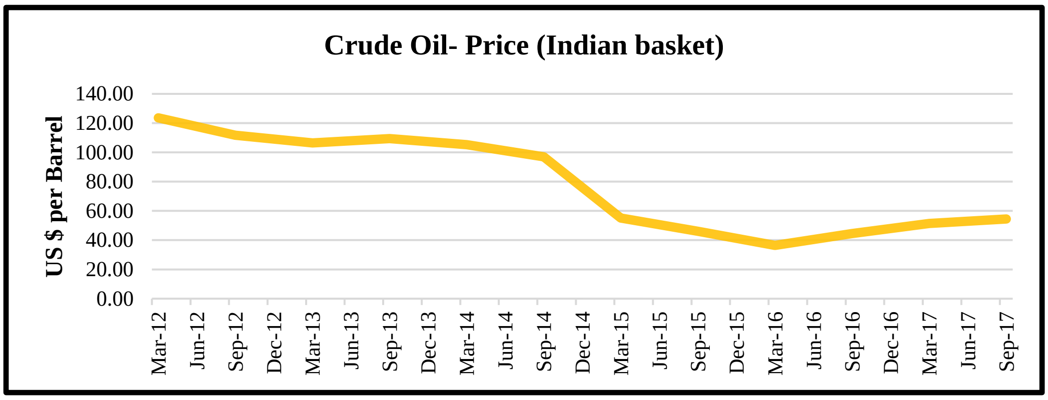
In CY16, World's Oil consumption increased from 88.7mnbpd in CY10 to 96.55mnbpd, recording a CAGR growth of around 1.71%. During the same period, the oil consumption in Asia Pacific region grew at a CAGR of 3.72% to 33.57mnbpd while consumption in the Middle East and South & Central America grew at a CAGR of 3.09% and 1.66% respectively. Asia Pacific was the largest consumer with the total consumption of 33.57mnbpd followed by North America with 23.84mnbpd.

Price movement

The demand for crude oil slid from the impressive 1.8 million bpd growth registered in 2015 to 1.4 million bpd in 2016. The same is projected to rise to 1.7 million bpd in 2017 and 2018 (IHS Short Term Outlook) on the basis of a marked improvement in global investment and economic activity (IMF WEO, April 2017), barring any major exceptions to the current macroeconomic and demand-supply situation.



Source: IHS Markit



Source: PPAC

** The composition of Indian Basket of Crude represents Average of Oman & Dubai for sour grades and Brent (Dated) for sweet grade in the ratio of crude processed during previous financial year, e.g. ratio of crude processed as indicated in the table above.*

- Crude oil prices are average of daily prices of respective month.

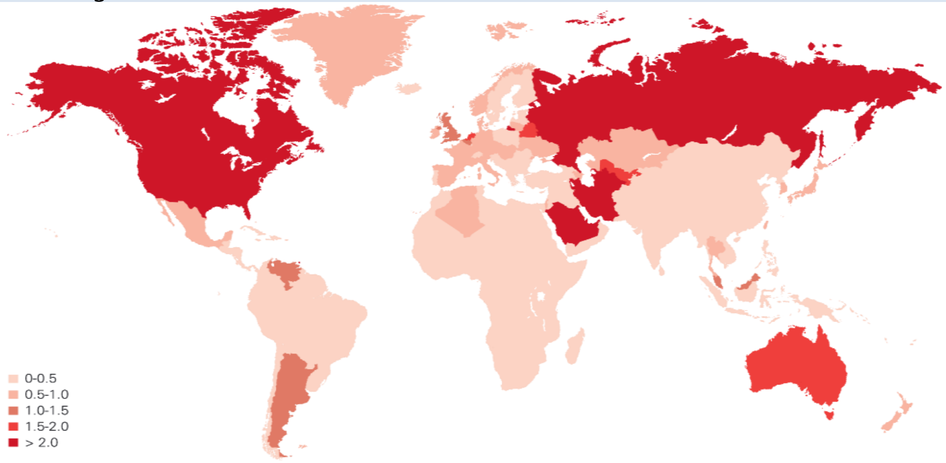
Natural gas

Reserves

Global proved gas reserves remained range bound in the period of last 10 years. Middle East and Europe & Eurasia regions together account for about 75 per cent of the total global proved reserves.

Total proved reserves at end of CY16 are sufficient to meet global production for next 44 years. Middle East region showed the highest R/P ratio of 124.5 years, followed by Africa with nearly 68 years. Europe & Eurasia, the world's largest gas consumer is expected to use all its proved oil reserves in another 56 years whereas North America, the world's second largest gas consumer is expected to use all its proved gas reserves over the next 12 years.

Proved gas reserves



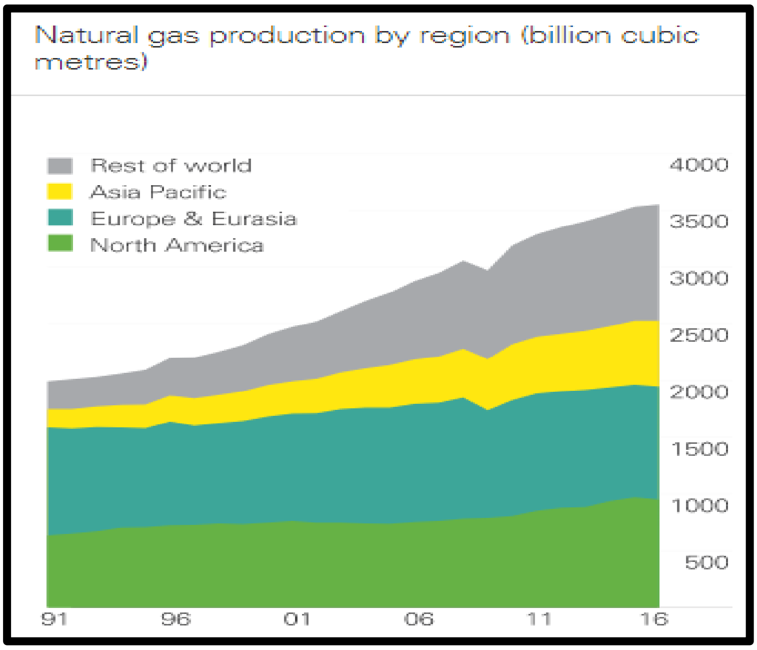
Source: BP Statistical review of world energy 2017
Note: Proved recoverable reserves as per Calendar Year (CY)

Production

According to BP statistical review for 2016, global natural gas production increased by only 0.3%, or 21 billion cubic metres (bcm) to 3552 bcm, the weakest growth in gas output for 20 years, other than in the immediate aftermath of the financial crisis.

The production declined in North America (-21 bcm) while strong growth was seen Australia (19 bcm) and Iran (13 bcm).

Australian production was the standout performer as several new LNG facilities came on stream; Iran also boosted output in the wake of the sanctions relief. However, these increases were offset by a large fall in US output (-17 Bcm, -2.5%), with falls in gas and oil prices weighing on the production of both dry and associated gas. This was the first fall in US production since the shale revolution started in earnest in the mid-2000s.

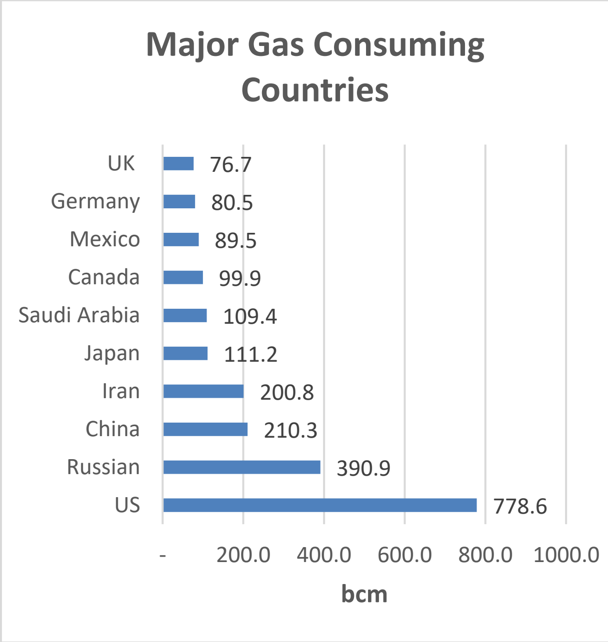


Source: BP Statistical Review of World Energy 2017

Consumption

Owing to increased availability and usage, natural gas consumption has increased considerably over the recent years. It continues to be a part of India's energy mix, accounting for only 5-6 percent. In CY2016, The consumption however increased to 55,534 mmscm in comparison to 52,448 mmscm in the corresponding period primarily due to higher consumption of liquefied Natural gas (LNG).

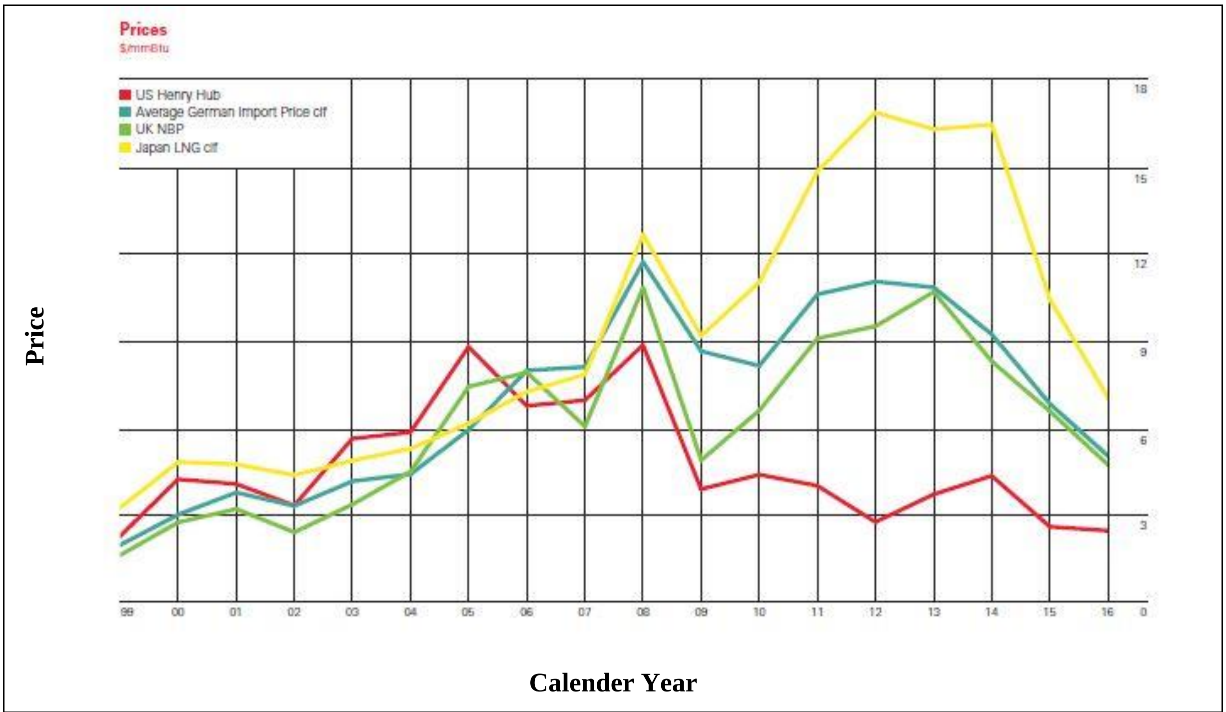
Region wise share in consumption (%)	CY16
Total S. & Cent. America	4.9%
Total Europe & Eurasia	29.1%
Total Middle East	14.5%
Total Africa	3.9%
Total Asia Pacific	20.4%



Source: BP Statistical Review 2017

Price movement

Natural gas prices movement



Source: BP Statistical Review of World Energy 2017

The prices 1 MMBtu is equal to 1 million BTU (British thermal unit). Natural gas is measured in MMBtu's.
1 MMBtu = 28.263682 m^3 of natural gas at defined temperature and pressure

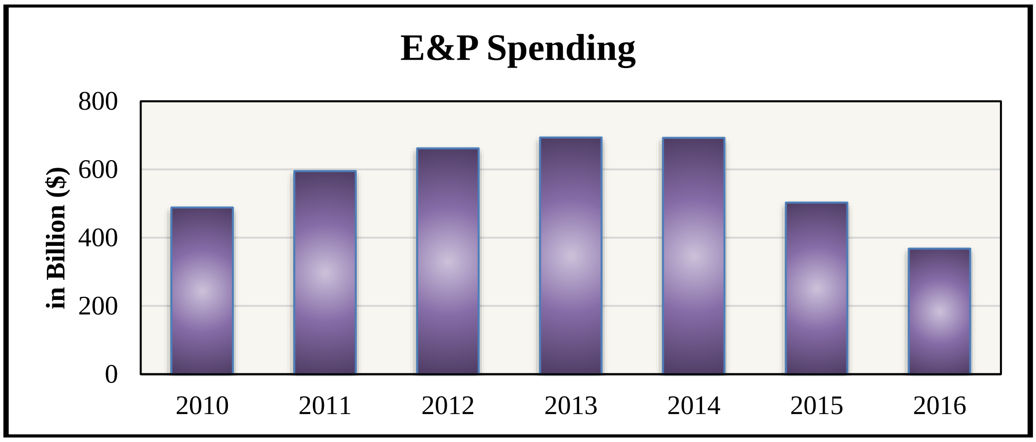
CARE Ratings' View

The OPEC – November 30, 2017: The meeting concluded with the decision to cut production by 1.8 million barrels per day, till the end of 2018, (initially it was poised to be moderated till end of March 2018).

a. Since the start of FY2017-18 there has been a 5% rise in the production of domestic Natural Gas, and India aims to shift its current 6.5% natural gas usage to 15% and to also shift to a natural gas based economy. Worldwide production cuts of crude oil production could augment the process.

b. CARE Ratings believes prices of Brent Oil will rise but it will not exceed $ 65/bbl as there remains a possibility of rising US inventories and production which will keep the prices at bay, but also at the same time prices to remain above the $60/bbl range, not below that for the time being. Indian Basket of Crude to remain $2/bbl lower than the Brent prices on an average monthly basis.

Global E&P Spending



As per an IHS Markit report, during 2014-16, global E&P spending plummeted from $693 bn in 2014 to $368 bn by the end of 2016. Overall, global upstream capital spend from 2015 to 2020 has been reduced by 22% or US$740 billion. When cuts to conventional exploration investment are included, the figure increases to just over US$1 trillion, according to Wood Mackenzie.

The impact of this pruning in investments has been most severe in the US unconventional segment where more than half of the cuts have been concentrated. Russia has also witnessed a significant drop-off in investment, to the tune of 40%, compounded further by its lack of access to western financial markets due to the imposition of sanctions. The mature North Sea has also been hit hard, especially the Norwegian and UK sectors, where investment is essential to maximise economic recovery and avoid early decommissioning.

However, certain regions have opposed the trend – especially the Middle East and countries in Asia-Pacific such as India where there is a high proportion of NOC-spend. Saudi Arabia and Kuwait have continued to invest heavily with almost 60% of their spending going towards drilling sector while Iran is ramping up its pace. India relies on imports for most of its energy requirements, hence the situation in India is ripe, factoring in the prevailing low costs, for making timely investments in the domestic upstream sector through ambitious exploratory programs to augment underlying hydrocarbon resource potential and implementation of promising greenfield projects with robust production profiles (such as ONGC's offshore KG-DWN-98/2 and Daman Development projects) to mitigate the extent of its reliance on imported oil.

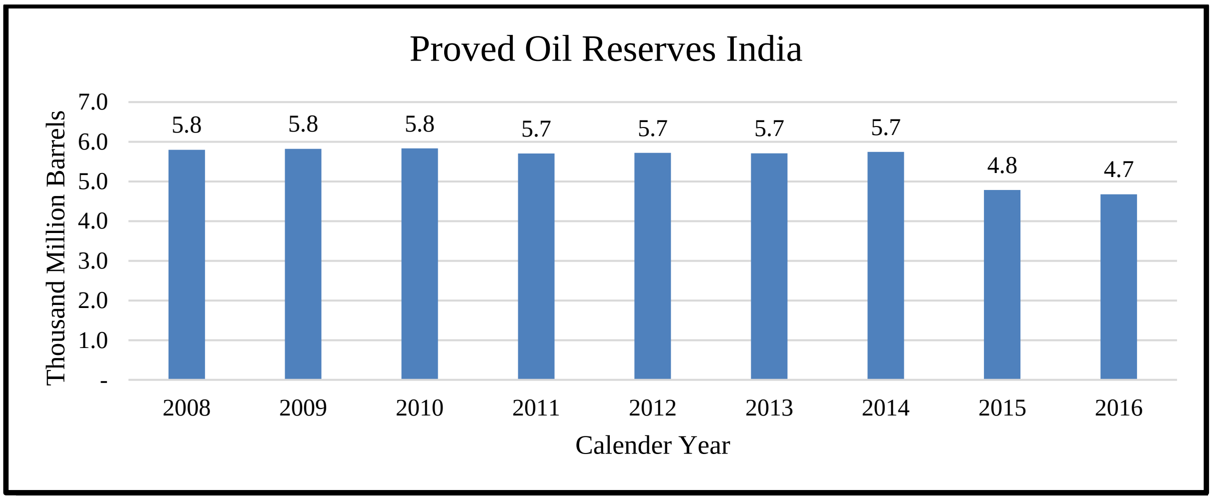
As per Wood Mackenzie, cumulative capital budgets for companies are 15% more in 2017 relative to 2016 with a 5% projected rise in global production. While focused US companies' budgets are up the most (60% year-on-year), investment is also on the rise in Canada, Latin America and Russia.

OVERVIEW OF THE INDIAN OIL & GAS SECTOR

Crude oil

Reserves in India

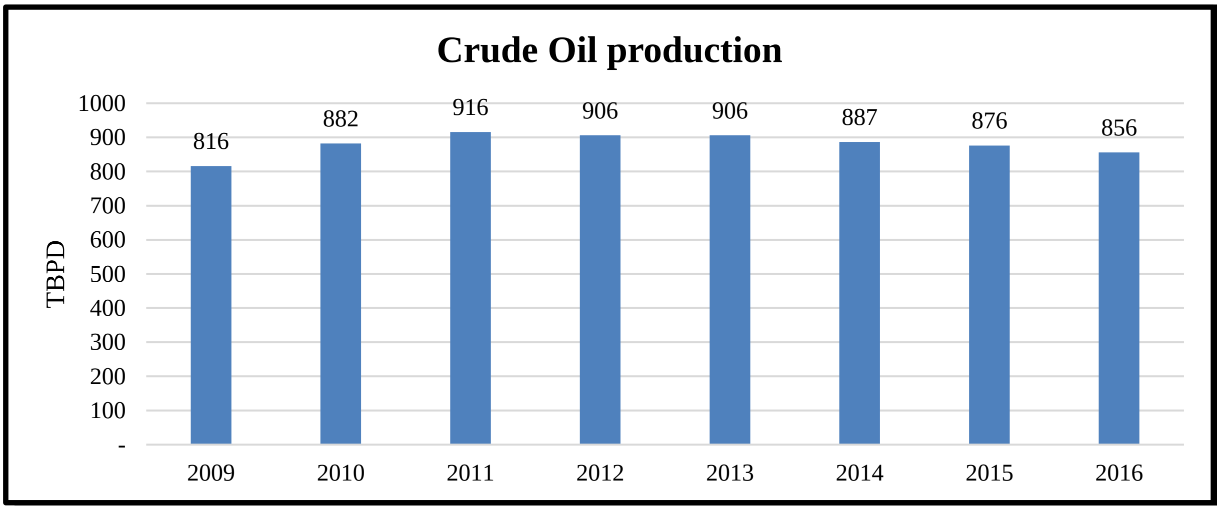
According to Ministry of Petroleum and Natural Gas (MoPNG), India holds nearly 4.7 billion barrels of total recoverable crude oil reserve as on December 2016. It has the second largest reserves in Asia Pacific region forming almost 10% of the total proved reserves of the region. At current rate of production India will use all of its reserve in next 14.9 years.



Source: BP statistical review of World Energy

Production in India

Crude oil production in India can be dated back to 1890 when the Digboi field came on-stream in Assam; however, any meaningful oil production was realized after the discovery of a giant field - Mumbai High by ONGC in 1974. This discovery, along with subsequent huge oil and gas discoveries in Western offshore provided the much-needed impetus to the development of oil and gas industry.



Source: BP statistical review of World Energy

India's crude oil supply is majorly contributed by ONGC, Oil India and Cairn India. As of FY17, share of ONGC in total domestic oil supply stood at around 62 per cent and share of Oil stood at around 9 per cent.

In FY17, The total crude oil production stood at 36 million tonnes (mt), registering a slight decline of 2.4% from the previous year.

State-wise Crude Oil Production Trends (Thousand Metric Tonnes)							
State/Source	**2009-10**	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**2015-16**
Onshore							
Andhra Pradesh	303	305	305	295	297	254	294.79
Arunachal Pradesh	129	116	118	120	111	68.88	57.33
Assam	4743	4724	5025	4863	4709	4473	4185.13
Gujarat	5962	5904	5778	5332	5061	4653	4460.92
Rajasthan	447	5149	6553	8593	9180	8848	8601.59
Tamil Nadu	238	233	246	238	226	241	260.99
Total Onshore	**11822**	**16431**	**18025**	**19441**	**19854**	**18537.88**	**17860.75**
Share of PSUs	11089	11031	11231	10605	10117	9482	9050.98
Share of Private/JV	733	5400	6794	8836	9413	9056	8809.78
Offshore							
Share of PSUs	17154	16972	16328	15617	15541	16194	16542.95
Share of Private/JV	4529	4282	3733	2804	2663	2729	2546.2
Total Offshore	**21683**	**21254**	**20061**	**18421**	**18204**	**18923**	**19089.15**
Grand Total	**33505**	**37685**	**38086**	**37862**	**37788**	**37460.88**	**36949.9**

Source: DGH

The table shows that in FY16, majority of the oil and gas production is from Rajasthan followed by Gujarat and Assam. These three states constitute around 96.5% of the total Indian production.

Consumption in India

The demand for petroleum products has been increasing over few years. In FY17, India registered 5% growth in the demand of petroleum products. The growth rate was however less than the previous year 11%. The demand of the products stood at 194.2mt as against 184. mt last year. The country's dependence on the crude oil imports has also jumped to 80% to meet the growing demand. (Petrol and diesel, which are primarily transportation fuels, form more than 50 per cent of total petroleum product consumption.)

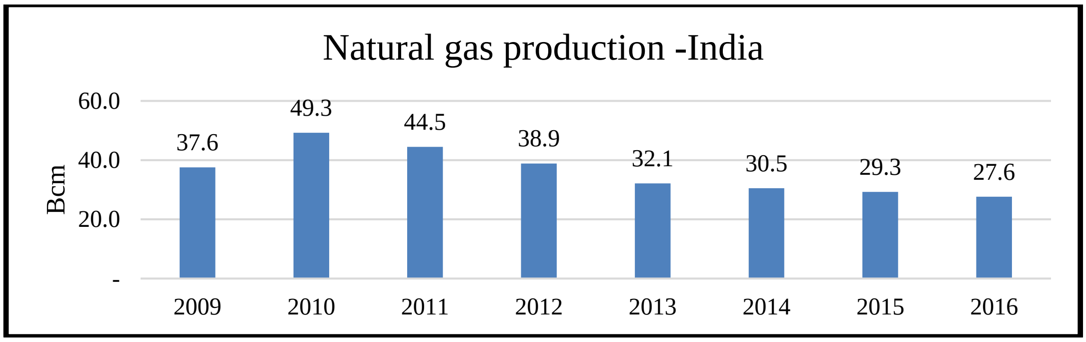
India has always been crude deficit country, with demand exceeding the indigenous supply by a wide margin. The stagnating indigenous production of crude oil has not been sufficient to cater to India's increasing energy demand.

Consumption in India

Owing to increased availability and usage, natural gas consumption has increased considerably over the recent years. In India, It continues to be a part of India's energy mix, accounting for only 5-6 percent. In CY2016, The consumption however increased to 55,534 mmscm in comparison to 52,448 mmscm in the corresponding period primarily due to higher consumption of liquefied Natural gas (LNG). Globally, Europe and Eurasia remains the largest consumer, having a share of around 29% of the total consumption of Natural gas and Asia pacific follows with the total Gas consumption for 722.5 bcm and holds 20.4% of the consumption of the world.

Production in India

In India, natural gas demand has always surpassed the available supply resulting in perennial gas deficit situation. The predominant consumers of natural gas were power and fertilizer sectors; demand from smaller industrial units, automobiles, households and commercial establishments also continued to grow.



Source: BP Statistical Review of World Energy 2017

State Wise Production 2017-18 (Month-wise)*

(In MMSCM)

State	April	May	June	July	August	September	October	November
I) Gross Production :								
A) Onshore:								
(i) Assam / Arunachal Pradesh	265.26	269.55	263.03	281.26	293.04	278.89	273.31	265.51
(ii) Rajasthan	117.82	117.39	120.38	117.22	119.55	117.29	126.57	115.58
(iii) Gujarat	140.23	144.74	139.91	140.93	139.80	133.51	137.26	130.68
(iv) Tamil Nadu	96.64	93.40	99.95	104.04	103.38	100.91	103.62	100.97
(v) Andhra Pradesh	72.16	72.90	70.90	76.52	77.55	77.88	81.08	77.68
(vi) Tripura	121.16	130.58	121.15	130.29	96.68	104.25	126.44	123.83
(vii) West Bengal, MP, Jharkhand (CBM)	46.26	48.47	50.22	59.64	65.25	63.58	68.03	68.64
Onshore Total (A)	**813.27**	**828.56**	**815.32**	**850.28**	**830.01**	**812.74**	**848.27**	**814.24**
B) Offshore:	1674.11	1891.58	1890.20	1948.82	1877.68	1846.92	1892.12	1831.99
Total (A+B)	**2533.64**	**2768.61**	**2755.74**	**2858.74**	**2772.94**	**2723.23**	**2808.42**	**2714.87**
II) Net Availability[1]	**2455.69**	**2697.11**	**2674.37**	**2795.96**	**2678.46**	**2652.53**	**2737.63**	**2642.46**

** Source: ONGC , OIL & DGH*
Note: 1 Net Availability denotes gross production less flare and loss by gas producing companies
MMSCM : Million Standard Cubic Meter

The month wise total gas produced in the year 2017-18 has been shown in the table. The production in Assam and Arunachal Pradesh stands the highest at 2189.86 MMSCM followed by Gujarat (1107.05 MMSCM), Tripura (954.38 MMSCM), Rajasthan (951.81 MMSCM), Tamil Nadu (802.91 MMSCM) and Andhra Pradesh (606.68 MMSCM).

Deficit Scenario to Continue: India's natural gas market is characterized by a supply deficit due to low domestic gas production and inadequate gas distribution infrastructure. The domestic demand for natural gas has outpaced domestic supply, resulting in increased dependency on LNG. According to the ministry of petroleum and natural gas (MoPNG), the demand for natural gas is expected to increase from 494 mmscmd in FY18 to 552mmscmd by FY20. The prospects of LNG demand in India remains good over the medium to long term, due to the limited domestic supply. Although the domestic production is expected to increase over the next five to 10 years, it is expected to stay significantly lower than the demand potential.

Gas Demand(mmscmd)	2014-15	2015-16	2016-17
Power	225	243	261
Fertilizer	113	113	113
CGD	47	50	53
Industrial	28	32	35
Petrochemical/Refineries	72	76	80
Sponge iron	9	9	10
Total Demand	**494**	**523**	**552**

Source: MoPNG

GOVERNMENTT POLICIES

Historical Background

In the 1990s, GoI, plagued with abysmal foreign exchange reserves and growing dependence on oil imports, embarked upon a series of reforms in the industry. The reforms were aimed at attracting private investment by deregulating the industry, thereby reducing India's dependence on oil imports. In 1992 and 1993, the government offered 69 small and medium-sized oil and gas fields, both onshore and offshore, under the pre-NELP rounds to private players.

Policies undertaken by the Government to enhance Exploration and Production

NELP

After 1999, government continued to take measures to increase liberalization process. This marked the emergence of private players such as Reliance Industries and Cairn India, contributing substantially to the Indian oil and gas industry. In 1997, the government introduced New Exploration and Licensing Policy (NELP) with relatively attractive terms and resulted in few large discoveries. Till date, the government has conducted total nine rounds of NELP. Under this, a total of 360 blocks were offered, of which 254 blocks are awarded.

New Exploration Licensing Policy (NELP) was a policy adopted by Government of India in 1997 indicating the new contractual and fiscal model for award of hydrocarbon acreages towards exploration and production (E&P). NELP was applicable for all contracts entered into by the Government between 1997 and 2016.

The main objective was to attract significant risk capital from Indian and Foreign companies, state of art technologies, new geological concepts and best management practices to explore Oil and Gas resources in the country. Since then licenses for exploration are being awarded only through a competitive bidding system and National Oil Companies (NOCs) are required to compete on an equal footing with Indian and Foreign companies to secure Petroleum Exploration Licenses (PELs).

The Government has taken number of measures to bring in healthy competition and public participation by the way of NELP for exploration & production of Oil & gas in the country. NELP regime was able to accelerate the quest for hydrocarbon exploration, and also bring in state of the art technology and efficiency of operations /management to the country.

Snapshot of NELP (I-IX)

Round	Offered	Awarded				Relinquished	Operational
		Deep Water	Shallow Water	Onland	Total		
NELP-I	48	7	16	1	24	20	4
NELP-II	25	8	8	7	23	19	4
NELP-III	27	9	6	8	23	18	5
NELP-IV	24	10	-	10	20	16	4
NELP-V	20	6	2	12	20	14	6
NELP-VI	55	21	6	25	52	40	12
NELP-VII	57	11	7	23	41	27	14
NELP-VIII	70	8	11	13	32	14	18
NELP-IX	34	1	3	15	19	2	17
TOTAL	360	81	59	114	254	170	84

Source: Directorate General of Hydrocarbons (DGH) (2015-16)

Further, in March 2016, the government increased its impetus on growing domestic production which led to the introduction of an upgraded version to Hydrocarbon Exploration and Licensing policy (HELP) and a new fiscal model based on Revenue Sharing Contract. It addresses the industries concerns that contributed to the slowdown in upstream oil and gas investment. The four main facets of the policy were (1) Uniform license for production and exploration of all forms of hydrocarbons, (2) an open acreage policy, (3) Easy to administer revenue sharing model and (4) Marketing and pricing freedom for the crude oil and natural gas produced.

Later, in May 2016, MoPNG announced Discovered Small Field Bid Round 2016 offering 46 contract areas across 9 sedimentary basins, with 67 oil and gas fields estimated to hold over 625 Million Barrels of Oil and Oil Equivalent Gas. A total of 134 e-bids were received for 34 contract areas and subsequently 22 companies were shortlisted for 31 Contract Areas.

	Contract Area Wise list of awardees is as under			
S. No	**Location**	**Contract Area Name**	**Company Name**	**PI (%)**
1	Assam	AA/ONDSF/ HILARA/2016	Prize Petroleum Company limited	100
2		AA/ONDSF/ LAXMIJAN/2016	Megha Engineering and Infrastructure lImited	100
3		AA/ONDSF/ PATHARIA/2016	VijayasriBhaskar Industries Private Limited	100
4		AA/ONDSF/ BARSILLA/2016	Ramaynalspat Private Limited	29
			BDN Enterprises Private Limited	29
			Duggar Fiber Pvt Ltd	23
			Mahendra Infratech Private Limited	19
5		AA/ONDSF/CHARAIDEO/2016	OilMax Energy Private Limited	100

	Contract Area Wise list of awardees is as under			
S. No	**Location**	**Contract Area Name**	**Company Name**	**PI (%)**
6		AA/ONDSF/ DIPLING/2016	Ramaynalspat Private Limited	29
			BDN Enterprises Private Limited	29
			Duggar Fiber Pvt Ltd	23
			Mahendra Infratech Private Limited	19
7		AA/ONDSF/ DUARMARA/2016	OilMax Energy Private Limited	100
8		AA/ONDSF/JERAIPATHAR/2016	Indian Oil Corporation Limited	100
9		AA/ONDSF/KHEREM/2016	Hindustan Oil Exploration Company Limited	40
			Oil India Limited	40
			Prize Petroleum Company limited	20
10	Gujarat	CB/ONDSF/ELAO/2016	PFH Oil and Gas Private Limited	100
11		CB/ONDSF/SOUTH PATAN/2016	South Asia Consultancy	100
12		CB/ONDSF/KHAMBEL/2016	Megha Engineering and Infrastructure lImited	100
13		CB/ONDSF/KAMBOI/2016	Nippon Power Limited	100
14		CB/ONDSF/WEST BECHRAJI/2016	Nippon Power Limited	100
15	Tamil Nadu	CY/ONDSF/NEDUVASAL/2016	GEM Laboratories Pvt Limited	100
16		CY/ONDSF/KARAIKAL/2016	Bharat PetroResources Limited	100
17	Andhra Pradesh	KG/ONDSF/ACHANTA/2016	PFH Oil and Gas Private Limited	100
18		KG/ONDSF/BHIMANAPALLI/2016	PFH Oil and Gas Private Limited	100
19		KG/ONDSF/KORAVAKA/2016	KEI RSOS Petroleum & Energy Pvt Ltd	100
20		KG/ONDSF/SANARUDRAVARAM/2016	Prize Petroleum Company limited	100
21	Rajasthan	RJ/ONDSF/BAKHRI TIBBA/2016	Bharat PetroResources Limited	100
22		RJ/ONDSF/SADEWALA/2016	Bharat PetroResources Limited	100
23	Madhya Pradesh	VN/OND SF/NOHTA/2016	Indian Oil Corporation Ltd	100
24	Mumbai Offshore	MB/OSDSF/B-37/2016	Sun Petrochemicals Pvt. Ltd.	100
25	Mumbai Offshore	MB/OSDSF/B9/2016	AdaniWelspun Exploration Ltd	100
26		MB/OSDSF/B15/2016	Bharat PetroResources Limited	100
27		MB/OSDSF/B127E/2016	Bharat PetroResources Limited	100
28		MB/OSDSF/B80/2016	Hindustan Oil Exploration Company Limited	50
			Adbhoot Estates Private Limited	50
29		MB/OSDSF/D18/2016	Enquest Drilling Private Limited	10
			SKN Haryana City Gas Distribution Limited	90
30	Kutch Offshore	GK/OSDSF/KD/2016	Indian Oil Corporation Ltd	100
31	KG- Offshore	KG/OSDSF/GSKV1/2016	KEI RSOS Petroleum & Energy Pvt Ltd	100

Source: Directorate General of Hydrocarbons (DGH)

New Domestic Natural Gas Pricing, 2014

In October 2014, the Government of India notified New Domestic Natural Gas Pricing Guidelines, 2014. Under this policy, it tweaked the Rangarajan formula and came up with its own formula benchmarking several global natural gas hubs. The pricing regime is applicable to all natural gas produced domestically, irrespective of the source, whether conventional, shale or coal-bed methane (CBM) produced in the public sector or by the private sector firms.

The following are the exceptions to which this policy would not apply:-

1. Small and isolated fields in nomination blocks, given their peculiar conditions, guidelines for pricing of gas were issued in 2013 would continue to apply.
2. Where prices have been fixed contractually for a certain period of time, till the end of such period.
3. Where the PSC provides a specific formula for natural gas price indexation/fixation.
4. Such Pre-NELP blocks where Government approval has not been provided under the Production Sharing Contract (PSC).

The Government also implemented the decision to allow marketing and pricing freedom for gas produced from High Pressure High Temperature, Deepwater and Ultra Deepwater areas, with a ceiling price arrived at on the basis of landed price of alternative fuels with a view to incentivize monetization of domestic gas resources in difficult areas. This means the producers have a maximum amount/ ceiling price which they can charge for the gas produced from difficult fields. The policy guidelines would be applicable to future discoveries as well as existing discoveries which are yet to commence commercial production as on 1.1.2016.

The sources from which data was obtained and the assumptions considered for the purpose of calculation/determination of gas price ceiling for the gas produced from discoveries in Deep- water, Ultra-Deepwater and High pressure-High Temperature are:

1. Landed price of fuel oil
2. Weighted average import landed price of substitute fuels: (I) Coal (II) Fuel oil (III) Naphtha
3. Landed price of imported LNG

Hydrocarbon Exploration and Licensing Policy (HELP)

In March 2016, Hydrocarbon Exploration and Licensing Policy (HELP) replaced New Exploration Licensing Policy (NELP). Four main facets of this policy are, (1) Uniform license for exploration and production of all forms of hydrocarbon, (2) an open acreage policy, (3) Easy to administer revenue sharing model and (4) Marketing and pricing freedom for the crude oil and natural gas produced.

HELP was devised to ensure higher domestic oil & gas production, to attract substantial investment in the sector and generate sizable employment. The policy is also aimed at enhancing transparency and reducing administrative discretion. The uniform licence will enable the contractor to explore conventional as well as unconventional oil and gas resources including CBM, shale gas/oil, tight gas and gas hydrates under a single license. The concept of Open Acreage Policy will enable E&P companies choose the blocks from the designated area.

The earlier contracts were based on the concept of profit sharing where profits are shared between Government and the contractor after recovery of cost. Under the profit sharing methodology, it became necessary for the Government to scrutinize cost details of private participants and this led to many delays and disputes. Under the new regime, the Government will not be concerned with the cost incurred and will receive a share of the gross revenue from the sale of oil, gas etc. giving rise to a new fiscal model based on Revenue Sharing Contract

Recognising the higher risks and costs involved in exploration and production from offshore areas, lower royalty rates for such areas have been provided as compared to NELP royalty rates to encourage exploration and production. A graded system of royalty rates have been introduced, in which royalty rates decrease from shallow water to deep-water and ultra-deep water. At the same time, royalty rate for on land areas have been kept intact so that revenues to the state governments are not affected. On the lines of NELP, cess and import duty will not be applicable on blocks awarded under the new policy. This policy also provides for marketing freedom for crude oil and natural gas produced from these blocks.

Open Acreage Licensing Policy (OALP)

OALP was introduced vide a Cabinet decision of the Government dated 10.03.2016, as part HELP or Hydrocarbon Exploration and Licensing Policy. OALP gives an option to a company to select the exploration blocks on its own, without waiting for the formal bid round from the Government. Under OALP, a bidder intending to explore hydrocarbons like oil and gas, coal bed methane, gas hydrate etc., may apply to the Government seeking exploration of any new block. The Government will examine the Expression of Interest and justification.

Discovered Small Fields Bid Round-2016

In line with Prime Minister's, Vision for reduction of the India's oil imports by 10% by 2022, Ministry of Petroleum of Natural Gas announced Discovered Small Field (DSF) Bid Round 2016 on 25th May 2016, offering 46 contract areas across 9 sedimentary basins, with 67 oil and gas fields, estimated to hold over 625 Million Barrels of Oil and Oil Equivalent Gas (O+OEG) in-place, spread over 1,500 square kilometres in Onland, Shallow water and Deepwater areas.

The Discovered Small Field policy provides for single uniform license for producing all kinds of hydrocarbon, no cess on the oil production, moderate royalty structure, customs duty exemptions and complete marketing and pricing freedom for the sale of produced crude oil and natural gas. These small fields have been discovered by National Oil Companies i.e. Oil & Natural Gas Corporation Ltd (ONGC) and Oil India Ltd (OIL) and are envisaged to be put on production through expeditious efforts.

Policy for Purchase Preference Linked with Local Content

In tune with the Make in India campaign under the Oil & Gas sector, the Government has incentivized growth in local content (LC) in goods and services while developing oil & gas projects in India. Bidders meeting local content targets, with bids within 10% of the lowest price, may be granted purchase preference at the lowest applicable price bid. Policy is applicable for all PSUs under Ministry of Petroleum and Natural Gas. Local content is related to equipment, manpower, design & engineering, software, supporting facilities and other areas. This policy is expected to provide an advantage to India based companies operating with local manpower and delivery of services.

Oil & Gas field service industry

E&P is a complex process involving specialized technology at every step; starting from identification of oil reservoirs through geological field work to geological modelling, seismic study and finally exploration through drilling. Oil is then extracted with production equipment and transported. Thus, the role of service providers is at every stage of E&P.

Operations of upstream service provider can be broadly classified as:

c. Drilling and rig providers

Drilling companies help in drilling and extracting oil and gas. These companies also provide onshore and offshore drilling equipment for conventional, unconventional and deepwater oil exploration. Due to the technical nature and complexities involved in drilling activities, they require highly skilled manpower. These companies act as a contractor for providing drilling equipments and rigs to upstream companies and also provide manpower requirements.

d. Oilfield service providers

Oilfield service companies assist the drilling companies in setting up oil and gas wells by providing services relating to repair and maintenance of drilling equipment. These services also include seismic study and directional services.

The growth of this industry is dependent on the growth of E&P activities. Oil prices and inventory are vital factors to E& P activities and this directly affects the revenues of oil service companies that provide E&P companies with equipment and allied services.

Drilling of wells

Oil companies usually hire a drilling company to drill their wells. The drilling contractor provides a drilling rig and crew. These are contracted at a day rate which is generally determined by the rated horsepower of a rig which also dictates how deep the rig can drill.

A state wise exploratory/ development wells drilled by ONGC, Oil India Limited has been shown which is further bifurcated into Onshore and offshore area wise development.

State-wise Exploratory/Development Wells Drilled

Year	Onshore			Offshore			Total		
	Rigs	Wells	Metreage	Rigs	Wells	Metreage	Rigs	Wells	Metreage
	(Numbers)		('000')	(Numbers)		('000')	(Numbers)		('000')
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*	*(8)*	*(9)*	*(10)*
(A) Oil & Natural Gas Corporation Ltd. (Nomination)									
2010-11	88	300	632	36	64	180	124	364	812
2011-12	84	323	655	31	62	175	115	385	829
2012-13	81	304	638	40	93	269	121	397	907
2013-14	73	273	587	39	82	222	112	355	809
2014-15	69	259	495	36	84	215	105	343	710
2015-16	71	271	556	34	54	134	105	325	689
2016-17 (P)	69	319	636	36	117	316	105	436	951
(B) Oil India Limited (Nomination)									
2010-11	20	35	114	-	-	-	20	35	114
2011-12	16	34	117	-	-	-	16	34	117
2012-13	17	37	128	-	-	-	17	37	128
2013-14	15	34	105	-	-	-	15	34	105
2014-15	17	36	131	-	-	-	17	36	131
2015-16	20	44	143	-	-	-	20	44	143
2016-17 (P)	19	56	169	-	-	-	19	56	169
(C) PSC Regime									
2010-11	15	166	276	7	35	111	22	201	387
2011-12	19	116	215	7	34	111	26	150	326
2012-13	13	69	140	10	31	116	23	100	256
2013-14	34	210	344	20	45	156	54	255	500
2014-15	36	201	370	20	34	109	56	235	478
2015-16	27	110	209	12	27	78	39	137	286
2016-17 (P)	23	39	100	9	9	25	32	48	125
Total (A+B+C)									
2010-11	123	501	1022	43	99	291	166	600	1313
2011-12	119	473	987	38	96	285	157	569	1272
2012-13	111	410	906	50	124	385	161	534	1291
2013-14	122	517	1037	59	127	378	181	644	1415
2014-15	122	496	995	56	118	324	178	614	1319
2015-16	118	425	907	46	81	211	164	506	1118
2016-17 (P)	111	414	904	45	126	341	156	540	1245

II.1 Area-wise Development of Deep Drilling Rigs, Wells & Metreage Drilled

Source: DGH

The trend in drilling has evolved from vertical to directional well bored and horizontal wells have become quite common on account of rotary steerable systems. Wells can be drilled using underbalanced or managed pressure to prevent formation damage. Therefore, highly skilled crews drill wellbores that will hold up to stresses imposed by the earth and by production processes, providing wells that can be safely logged, completed and produced.
Oil PSU's like ONGC have also been awarding integrated services contract.

Drilling Activity of the PSU is rising

After the reforms in the upstream gas pricing for deep-water, high temperature, high pressure CBM and marginal fields, drilling activities were expedited by upstream PSU.

II.2 Exploratory & Development Drilling by Oil Companies						
Year	Exploratory		Development		Total	
	Wells (Nos.)	Metreage ('000')	Wells (Nos.)	Metreage ('000')	Wells (Nos.)	Metreage ('000')
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(A) Onshore						
2010-11	127	357	374	665	501	1022
2011-12	140	354	333	633	473	987
2012-13	109	315	301	591	410	906
2013-14	128	349	389	687	517	1037
2014-15	130	344	366	652	496	995
2015-16	105	320	320	587	425	907
2016-17 (P)	102	277	312	628	414	904
(B) Offshore						
2010-11	60	198	39	92	99	291
2011-12	44	152	52	134	96	285
2012-13	42	145	82	240	124	385
2013-14	44	155	83	223	127	378
2014-15	52	158	66	166	118	324
2015-16	40	105	41	107	81	211
2016-17 (P)	40	119	86	222	126	341
Total (A+B)						
2010-11	187	555	413	757	600	1313
2011-12	184	506	385	766	569	1272
2012-13	151	460	383	831	534	1291
2013-14	172	505	472	910	644	1415
2014-15	182	502	432	817	614	1319
2015-16	145	425	361	694	506	1118
2016-17 (P)	142	396	398	849	540	1245

Source: DGH

E&P spending in India

Historically, the investments in the sector were constrained due to number of factors such as regulatory constraints, lack of timely clearances from government agencies, inadequate investment-linked incentives, ambiguity on under recovery sharing pattern and relatively low pricing of gas. However, with the growing importance of oil and gas segment as a vital sector and directly contributing to energy security of the country, the government has gradually moved towards investor friendly and liberalized policies and reforms in the sector.

In a major policy drive to give a boost to petroleum and hydrocarbon sector, the government has unveiled HELP which provides a uniform licensing system to cover all hydrocarbons such as oil, gas, coal bed methane etc under a single licensing framework. This initiative from GoI has led to increase in demand for upstream services in India. Increase in private participation has led to huge demand creation for onshore and offshore drilling, seismic services and offshore support services.

Capital Expenditure of major PSU upstream oil companies

(Rs Crore)

Company	2014-15	2015-16^{P}	2016-17^{P}	2017-18	
				Target*	Actual (April- Oct)#
ONGC Ltd	29997	29502	28010	29968	22173
ONGC Videsh Limited	7172	6783	18360	7088	3226
Oil India Ltd	3774	3550	10514	9252	6586
Total	**40943**	**39835**	**56884**	**46308**	**31985**

Source: DGH

**Targets are for full financial year 2017-18(both plan and Non plan)*

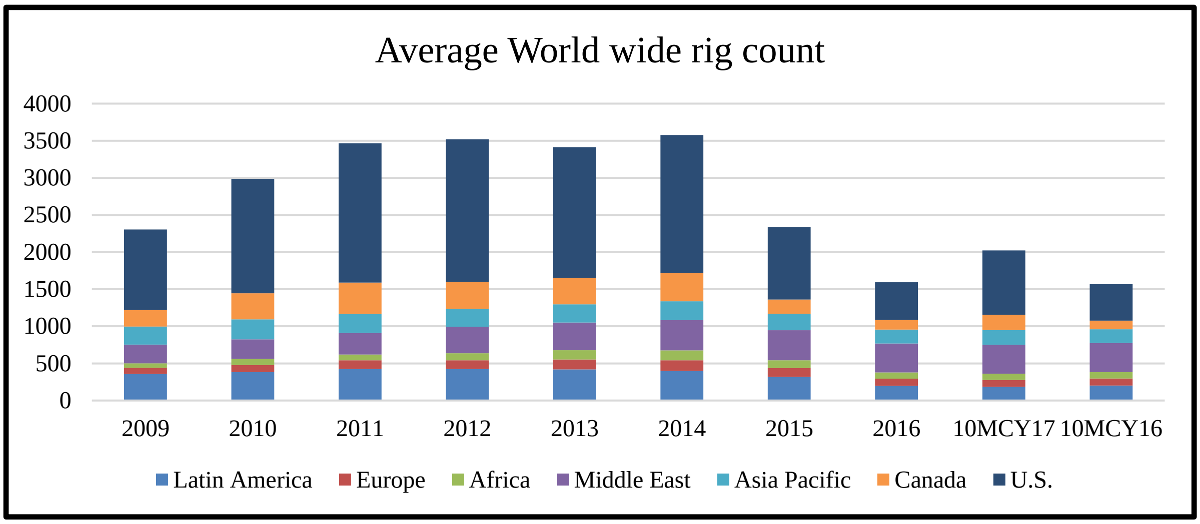
 # Provisional and includes expenditure on JV/ Subsidiaries

RIGS

Global Rigs

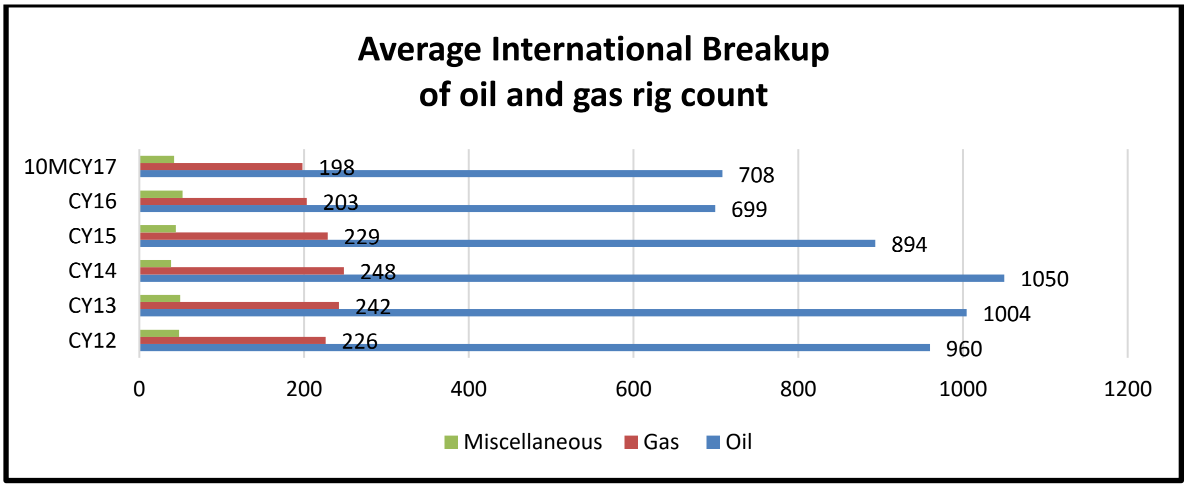
In order to meet global oil and gas production targets and considering huge E&P capex plan, the world's onshore drilling rig market is expected to witness up-thrust. For incremental production from complex fields would require significant number of high specification rigs and associated equipment. Countries like China, Russia, Saudi Arabia, Iraq and the US are expected to see an increase in the number of rigs required.

Global rig count for 10MCY17 was at 2021 rigs as against 1,567 rigs during 10MCY16. This increase is majorly attributable to the increase in the US rig count which rise from average of 491 rigs in 10MCY16 to 866 rigs in 10MCY17.



Source: Baker Hughes Rig Count

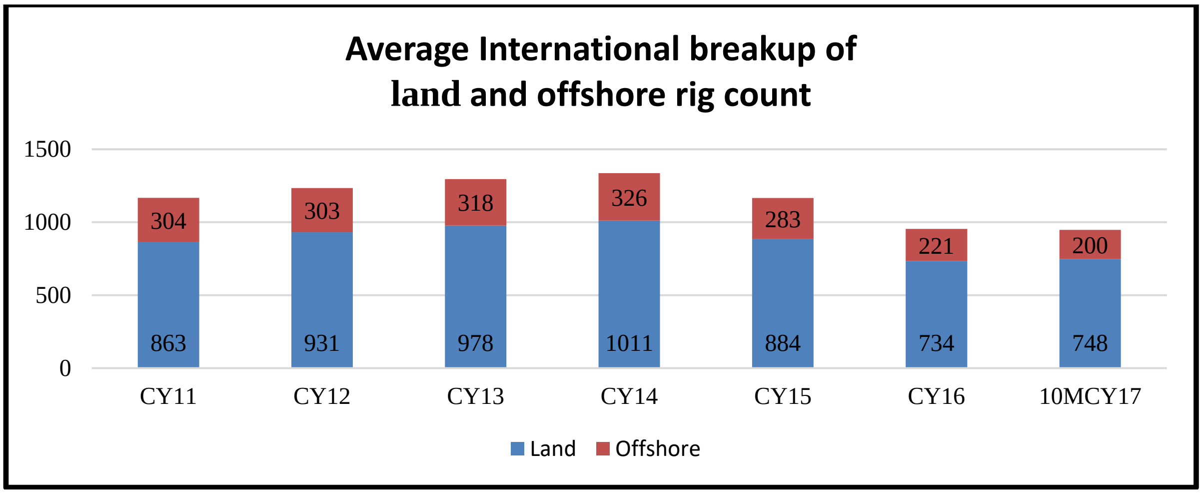
Share of gas rigs has declined steeply from 61 per cent in CY03 to 25 per cent in CY12 and to around 21 per cent in CY16 due to advancement in technology. The use of new extraction techniques increased natural gas production steadily and thus; number of active rigs came down dramatically. Fall in rigs count is also attributable to growing usage of rigs that allow faster movement between wells; over rigs used to drill more wells in a given area without being moved. These factors coupled with advanced technologies such as horizontal drilling, longer laterals (the length of horizontal drilled well) and hydraulic fracturing which are capable of extracting more hydrocarbons per well are the key drivers of the changing trends.



Source: Baker Hughes Rig Count

Further, share of rigs actively deployed for exploring and developing oil and natural gas in offshore fields has declined gradually from 24.55 per cent in the total rig count in CY12 to about 23.09 per cent in CY16.

Average worldwide break-up of land and offshore rig count



Source : Baker Hughes

The average International breakup of Land and offshore rigs for the period of past 6 year's show that the rigs deployed internationally witnessed a decline. The percentage fall in the offshore rigs is higher than the onshore rigs. Moreover, with decline in the global crude prices led the E&P activities moderate and the rig deployment softened.

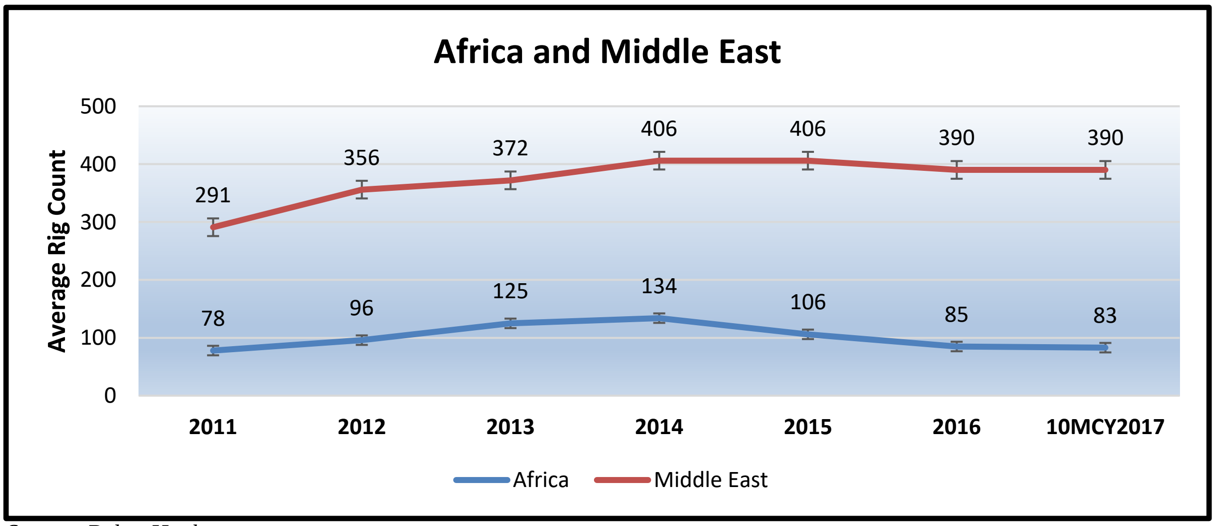
Average Land Rig Count (Onshore)

Region-wise breakup of land rig count

	CY11	CY12	CY13	CY14	CY15	CY16	10MCY17	Region Wise Share (CY16)
Europe	70	73	85	95	71	60	60	8.15%
Middle East	253	309	329	360	356	340	344	46.28%
Africa	51	64	90	94	74	69	71	9.36%
Latin America	338	342	332	323	257	162	152	22.02%
Asia-Pacific	151	144	142	138	126	104	121	14.18%

The average land rig count for the region of Middle East has grown from 253 in the year CY11 to 340 in CY16 and 344 in the 10MCY17, almost a CAGR growth of 6.34% whereas the African region has shown a growth of CAGR 6.84% in the same period.

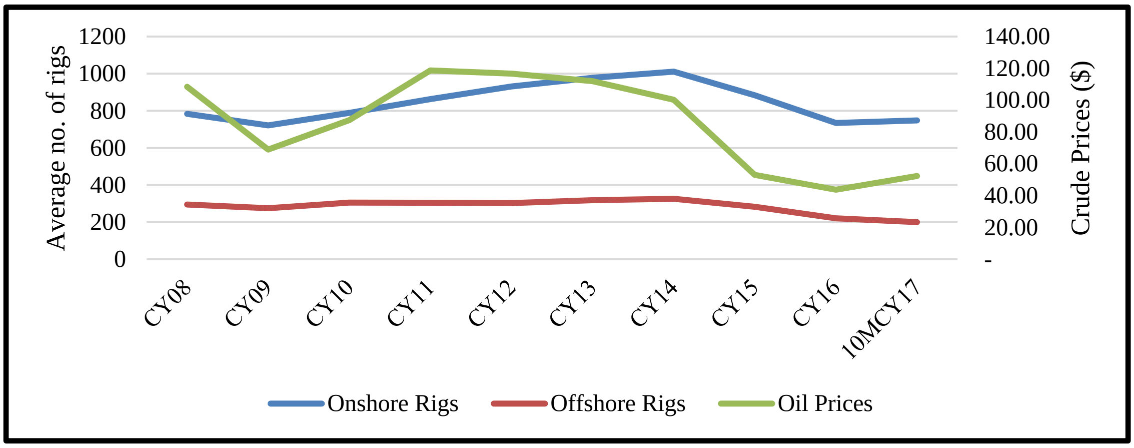
Middle East and Africa- Average Rig Count



Source: Baker Hughes

The average of total rig count for both the geographies i.e. Middle east and Africa have seen a CAGR growth of around 6.03% and 1.25% respectively in the same period.

Comparison of Onshore and Offshore Rigs with Oil Prices



Source: BP statistical Review of world energy and Baker Hughes International Rig Count data

Year	Onshore Rigs	Offshore Rigs	Oil Prices
CY08	784	295	108.42
CY09	722	275	68.99
CY10	789	305	87.50
CY11	863	304	118.71
CY12	931	303	116.73
CY13	978	318	111.95
CY14	1011	326	100.31
CY15	884	283	53.05
CY16	734	221	43.73
10MCY17	748	200	52.38

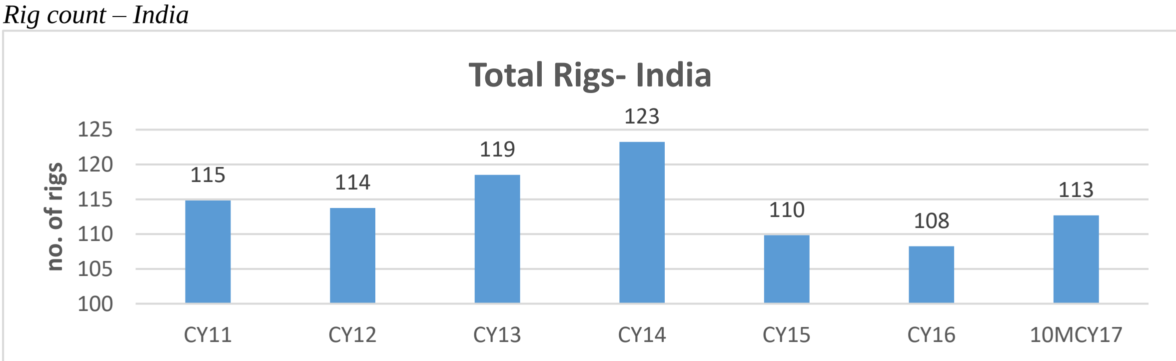
From CY08 to 10MCY17, the onshore rigs has seen 4.59% overall decline and offshore rigs has seen around 32% overall decline while the price of the oil has softened around 51.69%.

India

According to the Baker Hughes International Rig count India has an average of 108 rigs in CY16. Majority of the rigs are deployed onshore (80) and the rest offshore (28). The count of the number of rigs from the past calendar year has seen a slight decrease from 110 in CY15.

Historically more than 80 per cent of these rigs were deployed by ONGC while in the past few years, share of private/JV players have increased on account of rising participation in E&P activities.

Rig count – India

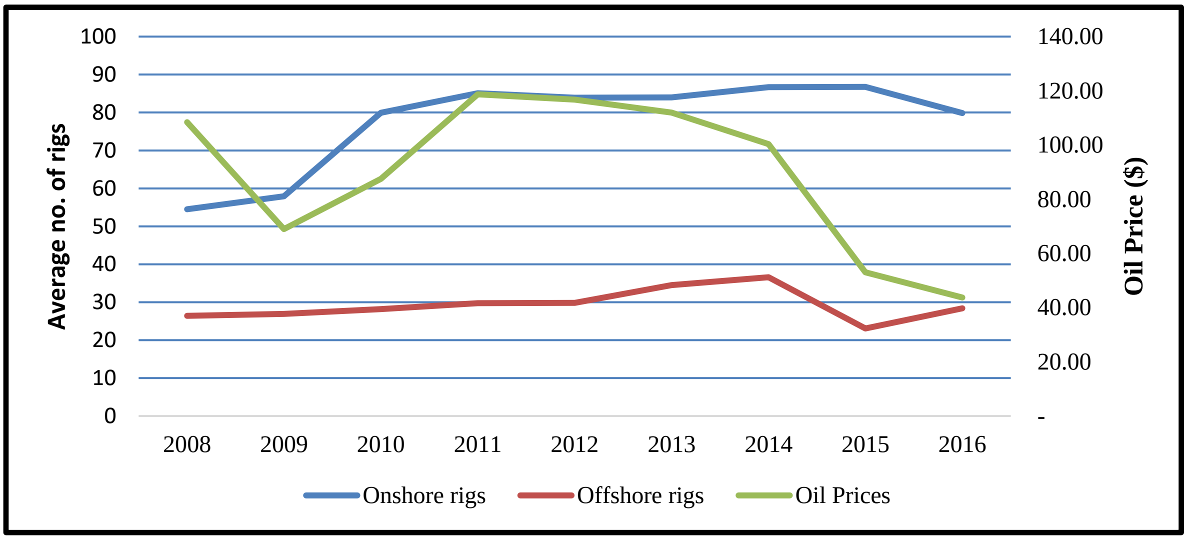


Source :Baker Hughes
Elasticity of Rigs with Oil prices

In India, the Average number of rigs has changed with the passage of time from a total of 81 rigs (Onshore: 55 rigs and Offshore: 26 rigs) to 108 rigs (Onshore: 80 rigs and offshore: 28 rigs) in 2016. The change in the number of rigs has been with respect to change in the oil prices is tabulated below

India	2008	2009	2010	2011	2012	2013	2014	2015	2016	10CY17
Onshore rigs	55	58	80	85	84	84	87	87	80	80
Offshore rigs	26	27	28	30	30	35	37	23	28	32
Oil Prices ($)	108.42	68.99	87.50	118.71	116.73	111.95	100.31	53.05	43.73	52.38

Source: BP statistical Review of world energy and Baker Hughes International Rig Count data



Source: BP statistical Review of world energy and Baker Hughes International Rig Count data

As shown, the number of the rigs from CY08 to CY16, both onshore and offshore have increased. The change in the number of onshore rigs is greater as compared to the number of the offshore rigs.

However, India being energy deficit country where 80% of the crude is imported, would continue to focus on E&P activity, as a result demand of rigs is expected to stay, though with increased number of availability of rigs coupled with competitive pricing.

Market Share of Rigs

The total number of rigs in the 10MCY17 stood at 113. Among these 113 rigs John Energy Limited holds 33 rigs while Deep Industries Limited and Quippo Oil and Gas limited holds 12 rigs and 6 rigs respectively. The remaining rigs are held by other players viz. GTC oil field services limited (7), Simplex Infrastructure Limited etc.

Also, the one of the major player i.e. SVOGL oil and gas limited (formerly Shiv Vani Oil and Gas) has emptied the market space after the bankruptcy in H1 FY2018. The company was earlier banned by ONGC. This has provided enhanced opportunity to the existing players to capture the market share of SVOGL.

GAS DEHYDRATION SERVICES

Regulatory requirement of gas dehydration

In 2014, a fire broke out following a blast in Gas Authority of India Limited (GAIL) underground gas Pipeline at Nagaram, East Godavari district in East Godavari district of Andhra Pradesh, India. The accident took place near Tatipaka refinery of Oil and Natural Gas Corporation (ONGC).

Consequently, regulations have been made stringent with respect to gas transmission. Accordingly, it has made it mandatory to have the gas dehydrated before it can be inserted to the gas pipelines. As the same can be outsourced externally, players having expertise in dehydration will have positive impact.

In addition, it is expected that companies to ramp up gas production. Therefore, it offers huge opportunity to companies involved in providing upstream onshore gas services.

Oligopolistic nature of industry

Industry is characterized with limited players leading to oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants.

Stringent monitoring / regulations with respect to performance

One of the player in the Gas Dehydration segment viz. Deep Industries Ltd., received a show-cause notice from Oil and Natural Gas Corporation Limited pertaining to certain allegations made in respect of Gas Dehydration contract.

Gas compression segment

In India, the gas compression business is at nascent stage and Oil and gas producers are starting to outsource their compression requirements to focus on their core business. The technical expertise and the capital intensive nature of the industry act as an entry barrier.

Major Players providing Gas Compression and Gas Dehydration Services

1. Deep Industries Limited

Deep Industries Ltd (DIL) is engaged in providing services such as gas compression, air compression, rig (both work-over and drilling) and gas dehydration. It is an established and leading domestic gas compression service provider. DIL has also ventured in exploration and production (E&P) business of oil, gas, coal bed methane (CBM) and marginal oil fields.

2. HAL Offshore

Incorporated in December 1996, Himachal Alkalies Limited was formed for conducting the business of chemicals but forayed into Offshore Logistics Segment of Oil Exploration & Production in 1998 with the bagging of a contract of Operation and Management of Oil and Natural Gas Corporation Limited (ONGC) owned Multi Support Vessels (MSVs) Samudra Suraksha and Samudra Prabha. The company was renamed HAL Offshore Limited on September 4, 2000.

3. John Energy Limited (JEL)

JEL, formerly known as John Equipment Private Limited was incorporated in October 1987. JEL is an oil and gas service provide which provides drilling/work over, integrated drilling (including mud services, cementing services and directional drilling services), gas compression and man management services. As on December 31st, 2017, JEL had a fleet size of 34 Rigs including 19 Drilling Rigs with 750 HP to 2000 HP capacity and 15 Workover Rigs with 145 HP-550 HP capacity.

The company holds quiet a share in its own area of work and has now expanded its operations in emerging Geomarkets like CIS countries and west and North Africa. The International competitiveness on quality and customer satisfaction of JEL is backed successfully by the fact that John Energy is an approved vendor with the Kuwait Oil Company for Drilling and Work-over services.

Outlook/Conclusions

Natural Gas is emerging to be the gas of the future due to its clean burning properties and because is impact on the environment is not harmful. India plans to increase its gas usage in the energy mix to 15% from the current 6.5%. The world average of gas use in the total energy consumption is 24%. Domestic natural gas production till FY2016-17 was on a decline due to less than expected output from the KG- basin and due to ageing wells. But in the current financial year, the output till the April-August period has been higher by 5% as compared to the corresponding cumulative period in the previous financial year, FY 2016-17.

CARE Ratings estimates the production of domestic natural gas to rise in the coming few years, reaching a level of 36 BCM in the financial year 2020.

The Government is working towards India to become a natural gas based economy and is working to elevate the domestic production of the fuel.

Rise in production would be supported with the amount of investments the Exploration and Production segment has captured. As per the Ministry of Oil and Gas, in the next 10 years there will be a scope for $300 billion worth of Hydrocarbons projects in India.

– Reliance Industries Ltd (RIL), along with its partner BP plc, has decided to invest US$ 6 billion for the development of new R-series gas fields in the KG-D6 block.

– Oil and Natural Gas Corporation (ONGC) plans to invest US$ 11 billion in exploration and development of blocks in the Krishna Godavari (KG)basin, which is expected to increase gas production by around 30 per cent over the next three-four years.

– Larsen & Toubro's (L&T) subsidiary, L&T Hydrocarbon Engineering has bagged an order relating to Oil and Natural Gas Corporation's (ONGC) Neelam Re-Development and B173AC projects worth Rs 1,656 crore (US$ 257 million) which involves building four new platforms, a 32 kilometre pipeline and modification work on existing platforms in the India's western off shore basin, Neelam Field. The project is expected to be completed by 2019 and would result in incremental gain of 2.76 million ton crude oil and 4.786 BCM gas until 2034-35.

– ONGC has signed an agreement with the Government of Andhra Pradesh to invest around Rs 78,000 crore (US$ 11.7 billion) in the Krishna Godavari basin for producing hydrocarbons by FY 2021-22.

– Government of India plans to make huge investment for the development of domestic gas fields in India in the next 5-7 years.

– US Trade and Development Agency (USTDA) has awarded a grant to Prabha Energy Private Limited (PEPL) a private company to specialise in exploration and production of CBM. PEPL has also selected Advanced Resources International (A US firm) to carry out a feasibility study for CBM production enhancement. This would benefit in increasing the prospects and production levels under CBM basins.

ONGC has also made hydrocarbon discoveries to the west of its Mumbai High offshore discoveries which is located 10kms west of its Mumbai High basin and has found the first hydrocarbon proof in Kutch of about 29.87mt of reserves.

Natural Gas satisfies most of the requirements for fuel in a modern day industrial society, being efficient, non-polluting and relatively economical. The periodic uncertainties and volatility in both the price and supply of oil have also helped Natural Gas emerge as a major fuel in the energy basket across countries.

CARE Ratings predicts the demand of Natural Gas to reach the levels of 57.4BCM- 57.6BCM by 2020, at a CAGR of 5.1%.

OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about us and our financial statements, including the notes thereto, in the chapters "Risk Factors", "Financial Statements", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on pages 17, 197, 111 and 476, respectively.

Overview

We are one of India's leading private onshore Oil & Gas service providers catering to upstream and midstream players in India and overseas. Our service offerings include land-based drilling, well completion services, workover drilling, integrated contract services, gas compression services and gas processing services, including gas dehydration services to the companies engaged in the onshore exploration, development and production of Oil & Gas including NOCs and private sector E&P players.

As on December 31, 2017, we own a fleet of 34 rigs comprising of 19 Drilling Rigs and 15 Workover Rigs. Over the years we have enhanced our capabilities with addition of advanced onshore drilling rigs of higher power, configuration and real-time data monitoring capabilities. We currently own 7 rigs with capacities above 1,000 HP which are capable of drilling depths 5,000 meters and beyond. Our Rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling.

We also offer integrated contract services to upstream players whereby we bundle various services like including drilling fluid services, mug loggings services, wire line logging services, cementing services, casing services, well head completion services, surface facility services, direction drilling services with drilling and workover services. We have also bundled our services with the integrated services offered by other contractors to the upstream players.

We also offer midstream services i.e. natural gas compression services and natural gas dehydration services to players, engaged in the production and transportation of natural gas in India. We own five gas compressor units and we have been awarded various natural gas compression contracts with various public and private sector oil and gas companies. We have also forayed into the gas dehydration business. This is a relatively new business segment in India, primarily triggered due to the gas leakage incident that occurred in GAIL's KG Basin pipeline in the East Godavari district of Andhra Pradesh on June 27, 2014. As a consequence of this incident, PNGRB has made it mandatory to dehydrate natural gas before mounting it in the pipelines. We currently own one gas dehydration package and have been awarded a gas dehydration contract at Odalaveru Onshore Terminal in Andhra Pradesh.

We have more than two decades of experience in providing onshore Oil & Gas contract services across various geographies in India, including Gujarat and Rajasthan in the west, Himalayan mountain range in the north, Madhya Pradesh in the central India, Tamil Nadu and Andhra Pradesh in the south, and Assam, Arunachal Pradesh, Tripura and West Bengal in the east of India. We have experience of operating in difficult and technically challenging environments viz., desert, eco fragile environments, mountain ranges and sub-zero conditions. We have demonstrated a successful track record which includes more than 1,000 days of operation of a rig with zero LTI for 1,096 days in Fiscals 2009 to 2012.

We have a track record of executing projects overseas and have completed projects in Kazakhstan, Uganda and Algeria. We have successfully demonstrated our capability to execute contracts overseas are prequalified to undertake projects in various countries including being on the "Approved Vendor List" for Kuwait Oil Company Limited (Source: CARE Report). We are also a registered member of the International Association of Drilling Contractors ("**IADC**"), which represents the worldwide Oil & Gas drilling industry.

We own a central warehousing facility which includes rig maintenance facilities and a multi-functional workshop, located at Jagudan, Ahmedabad-Mehsana Highway, Gujarat. This workshop houses a repairing and overhauling station where we undertake in-house maintenance and repair jobs of rigs, a fabrication / refurbishment station, a centralized chemical yard and a consumables warehouse to stock the assets and consumables. We have an in-house training center at Jagudan, Ahmedabad-Mehsana Highway, Gujarat, which is equipped for providing detailed technical and management training sessions to our employees and to impart knowhow about the latest improvements in processes and technology in relation to our activities. We have also established a preventive maintenance system which is linked with ERP to ensure timely alerts to monitor equipment maintenance based on their usage, from time to time, thereby reducing downtime on the rigs.

For the Fiscals, 2015, 2016 and 2017, our restated consolidated total income was ₹ 5,148.00 million, ₹5,651.05 million and ₹ 5,817.29 million, respectively, growing at a CAGR of 6.30% between Fiscal 2015 and 2017. On a consolidated basis, our EBITDA for Fiscals 2015, 2016 and 2017 was ₹ 1,507.51 million, ₹ 1,852.54 million and ₹ 2,138.78 million, respectively. Our restated consolidated profit after tax was ₹ 336.30 million, ₹ 290.53 million and ₹ 713.56 million Fiscals, 2015, 2016 and 2017, respectively, growing at a CAGR of 45.66% between Fiscal 2015 and 2017.

Our restated consolidated total income for the six months period ended September 30, 2017 was ₹ 2,311.99 million. On a consolidated basis, our restated consolidated EBITDA for the six months period ended September 30, 2017 was ₹ 729.79 million. Our consolidated restated profit after tax for the six months period ended September 30, 2017 was ₹ 163.31 million.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

One of the leading Oil & Gas service providers with focus on upstream services

We believe we are one of India's leading private onshore Oil & Gas service providers catering to upstream and midstream players in India and overseas. With our long-standing relationship with major NOCs and private E&P players, established track record, we are positioned to benefit from India's onshore E&P potential. While India's energy demand has been growing at a rapid pace, energy supply has not kept pace with the demand. To meet India's burgeoning domestic energy demand and reduce import dependency, significant level of exploration, development and production activities are expected to be undertaken in India. During past few years, E&P activities have gained momentum with upstream companies incurring more capex. We believe rise in production of Oil & Gas, would be supported with the amount of investments the exploration and production segment has captured. As per the Ministry of Petroleum and Natural Gas, in the next 10 years there will be a scope for $300 billion worth of hydrocarbons projects in India. We believe that we are well positioned to benefit from the Indian onshore E&P potential.

Strong project execution capabilities and significant equipment base suited to diverse and challenging operating conditions

We believe we have one of the largest rig fleet in private sector in India for onshore drilling / workover activities. Out of 34 Rigs that we own, 19 are Drilling Rigs and 15 are Workover Rigs. Our drilling Rigs with capacities ranging from 750 HP to 2000 HP are capable of drilling depths from about 2,000 meters to 6,000 meters. Over the years we have enhanced our drilling capabilities with addition of advanced onshore drilling rigs of higher power and configuration, which can be deployed at relatively higher day rates. Higher complexity drilling (deeper targets and horizontal wells) requires rigs of higher power and configuration. We currently own 7 rigs with capacities above 1,000 HP which are ideal for deeper prospect well drilling and drilling in conditions of higher pressure and higher temperature conditions.

Our rigs are capable of drilling in diverse and challenging environmental conditions and suit the requirements of E&P operators. We have experience of drilling 'High Pressure High Temperature Wells' up to a depth of 4,500 meters and up to 10,000 PSI. Our rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling, enabling us to venture into shale gas exploration activities, which we believe have significant growth potential. We have historically operated our rigs in eco-sensitive regions, sub-zero temperatures, and harsh desert conditions. We believe owners and operators of Rigs with specifications that meet the requirements of E&P players in technically challenging and remote production projects will have competitive edge in terms of utilization rates and profitability.

Over the years we have transformed our rig fleet to include higher power and technically advanced rigs. We have more than doubled our rig fleet since 2005 growing steadily and prudently acquiring rigs without overleveraging. While our Company has focused on acquisition of modern medium and deeper prospect well drilling and deep workover rigs in the last five years, we have also strategically taken advantage of consolidation in the onshore Oil & Gas service sector in India and acquired pre-owned rigs which met the technical requirements of our customers and were available for reasonable value. We have also refurbished some of the recently acquired rigs to meet with the technical specifications that meet the requirements of E&P players. We believe this approach provides our Company distinct advantage of maintaining a sizable fleet without overleveraging the Company.

We also own five gas compression packages and have supplied, erected and commissioned gas compressor services comprising with total compression capacity ranging from 100,000 to 500,000 SCMD over the last 15 years. India's midstream infrastructure is relatively underdeveloped. It has a transmission pipeline network of 16,150 km as of March 31, 2017 with a design capacity of around 383.81 mmscmd (for major gas pipelines) (Source: "Ready Reckoner," Petroleum Planning and Analysis Cell, GoI, June 2017). GOI has been promoting the development of a pan-India gas grid, through various planned projects. Out of these planned projects, the PNGRB has authorized the construction of 13,821 km of pipeline projects, which are under various stages of development. As an early entrant to the gas compression business, we are in a position to take advantage of the proposed development in the midstream sector. Further, with PNGRB making it mandatory to dehydrate natural gas before mounting to the pipelines, we believe that our experience in the gas compression services business provide us with a significant competitive advantage over newer players entering this segment. In India, the gas compression business is at nascent stage and Oil and gas producers are starting to outsource their compression requirements to focus on their core business. The technical expertise and the capital intensive nature of the industry act as an entry barrier. Industry is characterized with limited players leading to oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants.

Established relationships with major upstream players

With over two decades of our operations we have established a track record with major upstream players in India. Our clientele in India comprise of NOCs and private sector E&P players. In Fiscal 2017, share of one of our largest customer in total revenue stood at 61.50%. Our top three customers accounted for 91.32%, 92.38%, 86.25% and 84.17% of our total consolidated revenue from operations in the six months period ended September 30, 2017 and Fiscals 2017, 2016 and 2015, respectively.

We obtain our contracts through a competitive bidding process. In selecting contractors for drilling and workover activities, clients generally prefer the contractors having experience, technical ability, past performance, reputation for quality, safety record, financial strength and the size of previous contracts in similar projects, although the price competitiveness is also an important selection criterion. We believe that our ability to maintain our relationships with, and to win repeat business from, our existing clients has been critical to our growth and stability of cash flows.

Most E&P players undertake a pre-qualification process for service providers and only consider players who have completed a pre-qualification process eligible to participate in tenders floated by E&P operators. We believe our track record and prequalification with these NOCs and independent E&P operators both in India and overseas offer us competitive edge in winning contracts. Further, most of the E&P operators' pre-qualification signifies our eligibility to participate in tenders floated by E&P operators.

Experience in executing contracts outside of India

Over the last few years we have made conscious efforts to diversify our client base and gain access to new markets with high growth potential for our service offerings. We forayed in overseas markets in 2006 in Kazakhstan. We also have experience of executing projects in Uganda and Algeria. We are on the "Approved Vendor List" for KOC (*Source: CARE Report*). Our pre-qualification signifies our eligibility to participate in tenders floated by E&P operators and we believe we are well positioned to capitalize on the opportunities presented by the overseas markets, especially in the MENA region. We are a registered member of the International Association of Drilling Contractors ("**IADC**"), which represents the worldwide Oil & Gas drilling industry.

Track record of operating in varied conditions and with focus on quality and high operating standards

With over two decades of our operations, we have gained varied experience both in India and overseas in providing onshore field services in the Oil & Gas upstream sector. We have experience of operating rigs in difficult and technically challenging environments viz., desert, eco fragile environments, mountain ranges and sub-zero conditions. We believe owners and operators of Rigs with specifications that meet the requirements of E&P players in technically challenging and remote production projects will have competitive edge in terms of utilization rates and profitability. We believe that our long term relationships with various clients in India enable us to better understand our clients' requirements and better evaluate the scope of work and risks involved in a project we bid for, as well as address changing demands in our target markets.

We have experience in operating workover and drilling rigs across various geographies in India including Himalayan mountain range in the north, eco fragile environments in Assam, Arunachal Pradesh and Tripura, and in desert and arid/ semi-arid conditions in Gujarat and Rajasthan in the west. Since our foray in overseas markets in 2006, we have worked in countries like Kazakhstan, Uganda and Algeria successfully managing logistics from India. We have executed a prolonged campaign (more than 5 years) in Kazakhstan where the ambient temperature mostly remains sub-zero. The operations required heat tracing of all the components including the living quarters of the crew at all times and facing dangers of undertaking drilling and workover services during heavy snowfall. We have also gained experience in operating in sub-Saharan desert conditions in Algeria where the temperature would soar to 55° C in summer.

We have laid down stringent operating criteria and processes, which we believe are some of the best standards in the industry. We place a high priority on managing the risks inherent in the industry in which we operate and we are committed to compliance with the highest national and international HSE standards. We have demonstrated a successful track record which includes more than 1,000 days of operation of a rig with zero LTI for 1,096 days in Fiscals 2009 to 2012. Over the years our rig availability time (productive rig time) has been at an average of 97% of overall contract time.

Strong order book

Our aggregate Order Book as of January 15, 2018 was ₹ 7,808.58 million (including contract value on hand, and LOA), comprising Order Book in the work-over and drilling rigs services, integrated contracted services, air and gas compression services and gas dehydration services.

The following table sets forth certain information relating to our Order Book as of January 15, 2018:

(₹ in millions)

Sr. No.		Estimated Order Book as of January 15, 2018		Total Estimated Order Book as of January 15, 2018 (contracted + LOA)	Percentage of Estimated Total Order Book as of January15, 2018
		Contracted	**LOA**		
Upstream Services					
1.	Workover Rigs	423.29	125.64	548.93	7.03
2.	Drilling Rigs (Upto 1000 HP)	1,314.83	420.81	1,735.64	22.23
3.	Drilling Rigs (above 1000 HP)	4,330.63	-	4,330.63	55.46
Midstream Services					
1.	Gas compression services / Gas Dehydration Services	37.18	1,156.20	1,193.38	15.28
	Total	**6,105.93**	**1,702.65**	**7,808.58**	**100.00**

Some of our existing contracts have extension options whereby the initial term may, at the option of our client, be extended for one or more additional periods. For further information on our Order Book, please see "*Management's Discussion and Analysis of our Financial Condition and Results of Operations – Size and composition of our Order Book, relationships with our key customers and our ability to execute such contracts*", "*Our Business - Order Book"* and section "*Risk Factors*" on pages 479, 145 and 17, respectively.

Strong management and skilled resource pool

Our senior and operating level management teams have extensive industry experience and deep understanding of the Indian and international markets. Our Managing Director, Mr. Mahesh Vyas has over three decades of experience in Oil & Gas equipment manufacturing and operation field. Mr. R.P. Tyagi, our Chief Operating Officer and Mr. Rajesh Sabnis, our Senior Vice President – Business Development, have over two decades of experience, working in Oil & Gas E&P companies. We believe that the considerable knowledge of and experience in the industry that our Key Management possess enhances our ability to operate efficiently. Our senior management team consists of technically qualified professionals, who are highly experienced in the industry we operate in. They bring with them, extensive experience in the sectors in which we operate. We believe that our management framework allows us to maintain the flexibility to address the markets and the geographies we operate in. Our workforce is trained in-house at our training facility at Jagudan, Ahmedabad-Mehsana Highway, Gujarat. We have rotation program for our workforce which enables our employees to gain experience in different rig operations.

Our Business Strategies

Leverage our experience and track record with servicing upstream players in India and overseas

We believe that our track record of more than three decades in the oil and gas services industry has equipped us with the operational wherewithal to expand our offerings. Focus of E&P activities are progressively shifting to deeper plays and horizontal drilling, which results in increasing demand for higher power specifications, higher capacity, and new generation rigs. Further, operators are continuously striving to meet their safety goal of zero LTI during drilling and workover activities and on reducing the costs of extracting hydrocarbons. Drilling automation seeks to do that through process improvements, optimized rates of drilling/ workover, consistent hole quality and overall drilling performance, all of which shall allow the operators to reduce the overall time taken to start production. We aim to acquire such modern rigs that shall help us achieve higher automation, dig deeper and horizontal wells, while minimising the time taken for carrying out drilling and workover activities while ensuring lower or zero LTI. We intend to maintain fiscal discipline so that we are at the right leverage for carrying out any capex / rig acquisitions, should an opportunity present itself.

Further, our existing higher capacity and new generation rigs enable us to undertake directional drilling and have the technical capability to undertake shale gas exploration and extraction activities. As on the date, only Indian NOCs have been permitted to explore shale gas extraction. However, approval for private participation is still in process and once the market is opened for private participation, we foresee a demand for specialised contractors who can undertake these activities.

Opportunistically evaluate opportunities in geo-markets with high growth potential.

Historically, our operations were focused on Indian onshore drilling / workover opportunities. We have been, in the last few years, strategically striving towards diversifying our presence in overseas markets with huge opportunities. We are continuously exploring to deploy our rigs in multiple geo-markets with an aim to improve our revenue realization and reduce concentration risk. With introduction of new rigs with Middle East region has the highest crude oil and natural gas reserves in the world. We have experience of operating rigs in Algeria and are in the approved vendor list of KOC, a subsidiary of Kuwait's NOC for providing drilling and workover services (*Source: CARE Report*). We believe MENA region can offer significant business opportunities for us. Going forward, we will continue exploring similar geo-markets which can offer us relatively higher day rates and improve our revenue realization basket.

Expanding into midstream business in onshore and offshore sectors

While we continue to focus on upstream services, we intend to strategically diversify into providing mid-stream services. India's midstream infrastructure is relatively underdeveloped. It has a transmission pipeline network of 16,150 km as of March 31, 2017 with a design capacity of around 383.81 mmscmd (for major gas pipelines) (*Source: "Ready Reckoner," Petroleum Planning and Analysis Cell, GoI, June 2017*). GOI has been promoting the development of a pan-India gas grid, through various planned projects. Out of these planned projects, the PNGRB has authorized the construction of 13,821 km of pipeline projects, which are under various stages of development. As an early entrant to the gas compression business, we are in a position to identify new opportunities and advantage of the proposed development in the midstream business in onshore and offshore sector. We are approved vendors with the Kuwait Oil Company and expect the international market for these services to expand in the future.

Further, with PNGRB making it mandatory to dehydrate natural gas before mounting to the pipelines, we believe that our experience in the gas compression services business provide us with a significant competitive advantage over newer players entering this segment. We have been able to secure a contract in 2016 for providing gas dehydration services. This industry is characterized with limited players leading to an oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants (*Source: CARE Report*) and hence we believe we have significant growth potential.

Increasing emphasis on quality service, safety, and efficiency

We aim to be the provider of choice for our clients, both in India and in regions with high growth potential, including the MENA. We will continue to focus on delivering quality service, safety, and efficiency to our customers in order to maintain and develop strong customer relationships. We continually seek to improve our health, safety, and environmental performance and to optimise the utilization of our rigs. We strive to implement best practices in the industry and are focusing on imparting training to our employees to improve upon our service capability and safety.

Strategically evaluate joint venture opportunities, associations, strategic tie-ups

We are focused on retaining and strengthening our leadership in the onshore Oil & Gas service industry India through expansion of our diversified products portfolio. We continue to focus on developing and introducing new value-added services into our service offerings. Our successful expansion into executing integrated service contracts and gas dehydration services shows our ability to identify new opportunities and expand into those verticals. We intend to offer a diverse range of services that are new to the Indian market and are innovative in nature so as to ensure market leadership and also be the preferred choice of the Oil & Gas players in the upstream and midstream sectors. We also continue to explore opportunities to collaborate with global players to augment the positioning of our services, enhancing and upgrading our capabilities though introduction of advanced equipment and technology. We also intend to offer our services bundled with services offered by larger service providers as part of integrated drilling contracts being offered by such players.

Our Service Offerings

We provide diversified service offerings spanning drilling, workover and gas compression services to the companies engaged in the onshore exploration, development and production of Oil & Gas.

Upstream Oil & Gas Services

- ***Drilling Services***

We provide onshore drilling rigs and equipment to upstream companies and help them in drilling and extracting Oil & Gas. Due to the technical nature and complexities involved in; drilling activities require highly skilled manpower. We accordingly provide an entire team of skilled manpower suiting to the needs of the project.

Our drilling services principally comprise drilling onshore wells during Oil & Gas E&P activities. The different phases involved in this process are (i) exploration, (ii) development, and (iii) production.

The Oil & Gas well drilling process involves several stages. The drilling rig is set up on a leveled area called the drilling site, which consist of drilling rig with mast including draw works and drilling rig floor, engines, mud pumps, mud systems, and other ancillary drilling and service equipment, the stores and the living space (crew quarters).

In rotary drilling, the rock is bored using a cutting tool called the bit, which is rotated and simultaneously forced against the rock at the bottom of the hole by a drill string consisting of hollow steel pipes of circular section that are screwed together. The cuttings produced by the bit are transported up to the surface by a drilling fluid, usually a liquid (mud or water), or else a gas or foam, circulated in the pipes down to the bit and then to the surface. The rotation is transmitted to the bit from the surface by a device called the rotary table located at the drill floor, or the top drive where hydraulic or electric motors suspended above the drill pipe enables top drives to rotate and pump continuously while drilling or during the removal of the drill pipe from the hole, or by downhole motors located directly above the bit. After having drilled a certain length of hole, in order to guarantee its stability, it has to be cased with steel pipes, called casings, joined together by threaded sleeves. The space between the casing and the hole is then filled with cement slurry to ensure a hydraulic and mechanical seal. The final depth of the well is accomplished by drilling holes of decreasing diameter, successively protected by casings, producing a structure made up of concentric tubular elements.

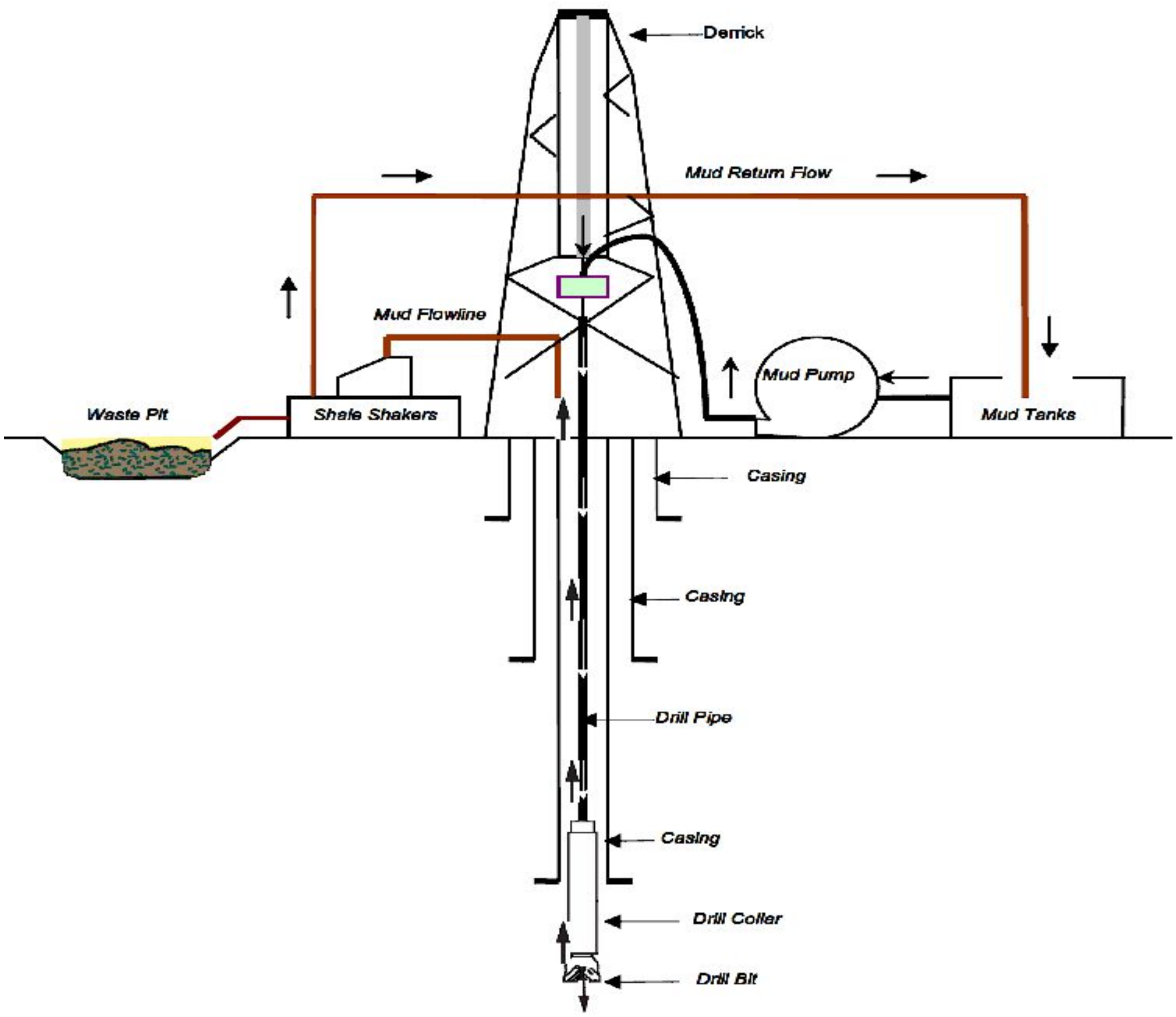


Figure: Well Casing

On reaching the well's final depth, the drilling apparatus is removed from the hole and several tests are performed to confirm the oil findings such as 'Well Logging' which includes lowering electrical and gas sensors into the hole to take measurements of the rock formations, 'Drill Stem Testing' i.e. lowering a device into the hole to measure the pressures, which will reveal whether reservoir rock has been reached and 'Core Samples' i.e. taking samples of rock to look for characteristics of reservoir rock.

Once the final depth and location are reached, "Well Completion" is carried out by the crew to allow oil to flow into the casing in a controlled manner. Well Completion activities involve the installation of pipes and equipment required to enable safe and efficient production from a well. A perforating gun loaded with explosive charges is introduced into the well to the production depth. The detonations create perforations in the casing through which oil can flow or gas can pass. After the casing has been perforated, a small-diameter pipe (tube) is inserted into the hole as a conduit for Oil & Gas to flow up the well. A device called a packer is thereafter run down the outside of the pipe. When the packer is set at the production level, it is expanded to form a seal around the outside of the pipe.

Finally, a multi-valved structure called a "Christmas Tree" is attached to the top of the pipe and it is cemented to the top of the casing. The Christmas Tree allows the flow of oil or gas from the well to be controlled.

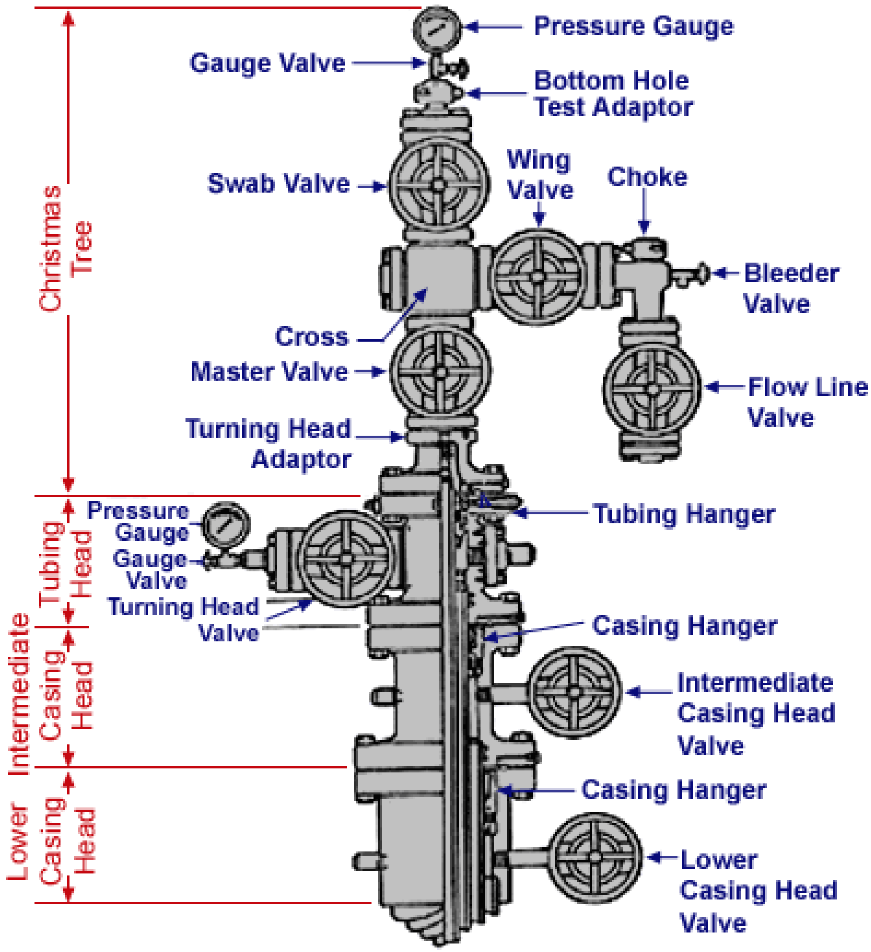


Figure: Wellhead complete with Christmas tree

Once the well is completed, the flow of oil into the well must be induced and controlled. For limestone reservoir rock, acid is pumped down into the well and out of the perforations. The acid dissolves channels in the limestone that allow oil to flow into the well. For sandstone reservoir rock, a specially blended fluid containing proppants (such as sand, walnut shells, and aluminum pellets) is pumped down the well and out of the perforations. The pressure from this fluid makes small fractures in the sandstone that allow oil to flow into the well, while the proppants hold these fractures open. Once oil is flowing, the rig is removed from the site and oil production equipment is installed to extract the oil from the well. Our rigs are capable of installing requisite casing and other pipes as well as delivering reservoir treatments where required to increase the productivity of a production well.

We currently own 19 drilling rigs that are capable of drilling depths from about 2,000 meters to 6,000 meters. Over the years we have enhanced our drilling capabilities with addition of advanced onshore drilling rigs of higher power and configuration, which can be deployed at relatively higher day rates. Higher complexity drilling (deeper targets and horizontal wells) requires rigs of higher power and configuration. We currently own 7 rigs with capacities above 1,000 HP which are ideal for deeper prospect well drilling and drilling in conditions of higher pressure and higher temperature conditions.

Our rigs are capable of drilling in diverse and challenging environmental conditions and suit the requirements of E&P operators. We have experience of drilling 'High Pressure High Temperature Wells' up to a depth of 4,500 meters and up to 10,000 PSI. Our rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling, enabling us to venture into shale gas exploration activities, which we believe have significant growth potential.

- ***Workover Services***

After a well begins production, our rigs can provide follow-up maintenance, or "Workovers", to increase the productivity and extend the lifespan of a well. Workovers typically involve applying processes, chemical treatments and/or materials to the reservoir area, and may include removing and replacing the well casing and downhole equipment.

The term Workover is used to refer to any kind of oil well intervention involving invasive techniques, such as wireline, coiled tubing or snubbing. Workovers rank among the most complex, difficult and expensive types of well work. They are only performed if the completion of a well is terminally unsuitable for the job at hand. The production tubing may have become damaged due to operational factors like corrosion to the point where well integrity is threatened. Downhole components such as downhole safety valves or electrical submersible pumps may have malfunctioned, needing replacement. In other circumstances, the reason for a Workover may not be that the completion itself is in a bad condition, but that changing reservoir conditions make it unsuitable. For example, a high productivity well may have been completed with tubing of a higher diameter to allow high flow rates. Some years on, declining productivity means the reservoir can no longer support stable flow through this wide bore. This may lead to a workover to replace the tubing with narrower tubing. The narrower bore makes for a more stable flow.

Land-based Workover Rigs (commonly referred to as well servicing rigs) consist of a mobile carrier, engine, draw works and a mast. The primary function of a workover rig is to act as a hoist so that pipe, sucker rods and down-hole equipment can be run into and out of a well. These Workover Rigs are easier to move between well sites and different geographical areas of operations than drilling rigs. Typically, the rigs are self-propelled and have less auxiliary equipment to move. Because of size and cost considerations, workover rigs are used for these operations rather than the larger drilling rigs.

We currently own 15 Workover Rigs with capacities ranging from 145 HP to 750 HP.

- ***Integrated Contract Services***

Integrated contract services is a new concept in which integration of all services, equipment and in some cases procurement of materials for upstream Oil & Gas services are covered under a single contract between an upstream player and a service company or contractor instead of having several service contractors. An integrated contract is commercially more beneficial for the upstream players. An integrated contract service includes bundling of various services including drilling fluid services, mug loggings services, wire line logging services, cementing services, casing services, well head completion services, surface facility services, direction drilling services along with drilling and workover services as a package, allowing oil companies to improve on resource utilisation, integrate technological solutions and avail seamless service. We have undertaken Integrated contract services during the Fiscals 2011, 2012, 2013 and 2014.

<u>Midstream Oil & Gas Services</u>

- ***Gas Compression Services***

The Natural Gas Compression industry in India consists of service providers in the field of gas compression at various stages of gas production from wells, processing and transportation. Compression services is required at several intervals of the natural gas production cycle viz., at the wellhead, at the gathering lines, into and out of gas processing facilities, into and out of storage and throughout the transportation systems. Low-pressure or aging natural gas wells also require compression for delivery of produced gas into higher pressured gas gathering or pipeline systems. Compressors may also be used in combination with Oil & Gas production equipment to process and refine Oil & Gas into more marketable energy sources. Additionally, compressors are used to re-inject associated gas to lift liquid hydrocarbons and thereby increase the rate of crude oil production from Oil & Gas wells.

We have supplied, erected and commissioned gas compressor services comprising with total compression capacity ranging from 100,000 to 500,000 SCMD.

- ***Gas Dehydration System (Glycol Based Dehydration System)***

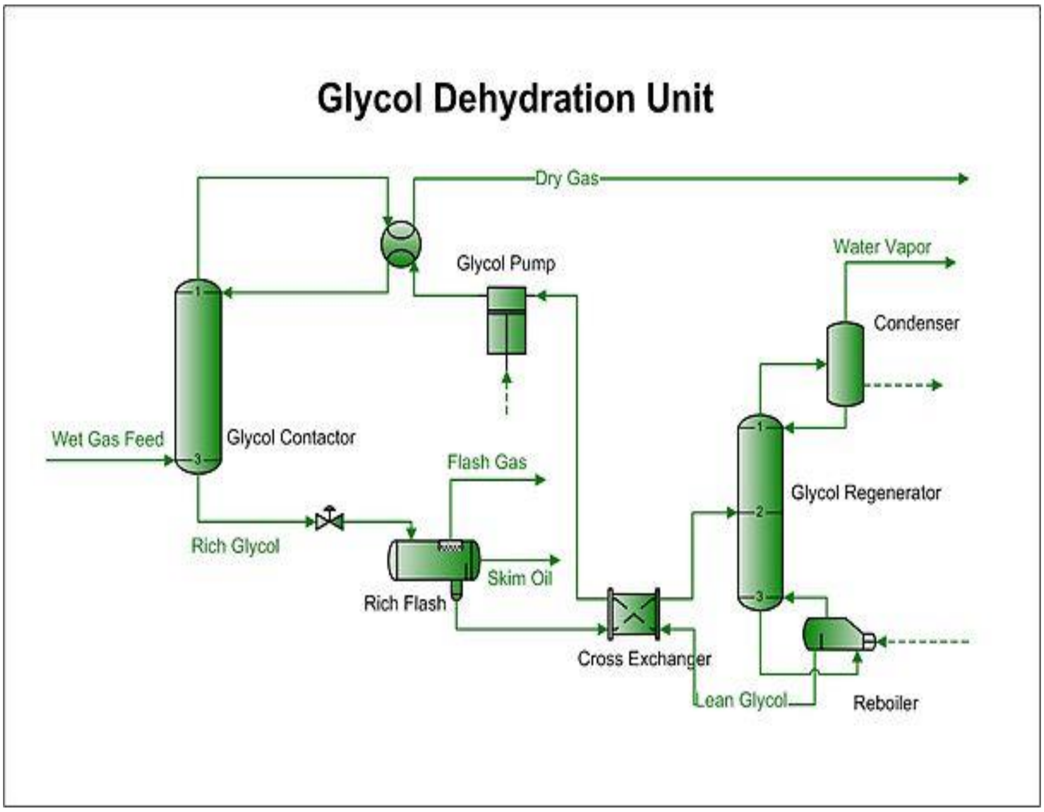
Gas Dehydration System is a liquid desiccant system for the removal of water from natural gas and natural gas liquid. It is the most common and economical means of water removal from these streams. Glycols typically seen in industry include tri ethylene glycol (TEG), Mono ethylene glycol (MEG), and tetra ethylene glycol (TREG). TEG is the most commonly used glycol in industry. The purpose of a glycol dehydration unit is to remove water from natural gas and natural gas liquids. When produced from a reservoir (Formation), natural gas usually contains a large amount of water and is typically completely saturated or at the water dew point. This water can cause several problems for downstream processes and equipment. At low temperatures the water can either freeze in piping or, as is more commonly the case, form hydrates with CO2 and hydrocarbons (mainly methane hydrates). Depending on composition, these hydrates can form at relatively high temperatures plugging equipment and piping. Glycol dehydration units depress the hydrate formation point of the gas through water removal.

Without dehydration, a free water phase (liquid water) could also drop out of the natural gas as it is either cooled or the pressure is lowered through equipment and piping. This free water phase will often contain some portions of acid gas (such as H2S and CO2) and can cause corrosion.

For the above two reasons the "gas processors association" sets out a pipeline quality specification for gas that the water content should not exceed 7 pounds per million standard cubic feet (7lb per MMSCF). Glycol dehydration units must typically meet this specification at a minimum, although further removal may be required if additional hydrate formation temperature depression is required.

Process Description

Lean, water-free glycol (purity >99%) is fed to the top of an absorber (also known as a "glycol contactor") where it is contacted with the wet natural gas stream. The glycol removes water from the natural gas by physical absorption and is carried out the bottom of the column. Upon exiting the absorber, the glycol stream is often referred to as "rich glycol". The dry natural gas leaves the top of the absorption column and is fed either to a pipeline system or to a gas plant. Glycol absorbers can be either tray columns or packed columns.



PROCESS FLOW DIAGRAMME FOR NATURAL GAS DEHYDRATION WITH GLYCOL

After leaving the absorber, the rich glycol is fed to a flash vessel where hydrocarbon vapors are removed and any liquid hydrocarbons are skimmed from the glycol. This step is necessary as the absorber is typically operated at high pressure and the pressure must be reduced before the regeneration step. Due to the composition of the rich glycol, a vapor phase having a high hydrocarbon content will form when the pressure is lowered.

After leaving the flash vessel, the rich glycol is heated in a cross-exchanger and fed to the stripper (also known as a regenerator). The glycol stripper consists of a column, an overhead condenser, and a re-boiler. The glycol is thermally regenerated to remove excess water and regain the high glycol purity.

The hot, lean glycol is cooled by cross-exchange with rich glycol entering the stripper. It is then fed to a lean pump where its pressure is elevated to that of the glycol absorber. The lean solvent is cooled again with a trim cooler before being fed back into the absorber. This trim cooler can either be a cross-exchanger with the dry gas leaving the absorber or an air-cooled exchanger.

Enhanced Stripping Method

Most glycol units are fairly uniform except for the regeneration step. Several methods are used to enhance the stripping of the glycol to higher purities (higher purities are required for dryer gas out of the absorber). Since the re-boiler temperature is limited to 400F or less to prevent thermal degradation the glycol, almost all of the enhanced systems center on lowering the partial pressure of water in the system to increase stripping.

Common enhanced methods include the use of stripping gas, the use of a vacuum system (lowering the entire stripper pressure), the DRIZO process, which is similar to the use of stripping gas but uses a recoverable hydrocarbon solvent, and the Cold finger process where the vapors in the re boiler are partially condensed and drawn out separately from the bulk liquid.

MRU (mechanical refrigeration unit) system

Dry gas from glycol dehydration goes to in let of the standard and custom designed straight refrigeration plant chill the incoming natural gas stream using an external refrigeration system. The condensed natural gas liquids (NGLs) are separated in a three-phase cold separator, where injected glycol is removed from the NGLs. The product’s cold residue gas exchanges heat with the hot stream. It is important to spray the glycol to the gas stream so that all gas is protected from freezing. This requires spraying the regenerated glycol evenly on to the tube sheet in these two vessels so that some glycol flows through each tube with the gas.

Propane, or some other refrigerants, boils in the chiller at a very low, controlled temperature, removing heat from the gas stream, thereby condensing a portion of the gas. The cold gas, condensate, and glycol flow from the chiller to a three-phase separator. The condensate goes to a fractionation unit. The gas is sufficiently cooled so it meets both the hydrocarbon and water dew points. It exchanges heat with the incoming gas to the refrigeration process and finally dry gas (with required water dew point and hydrocarbon dew point) is dispatched in Export pipe line. Normally every refrigeration plant is designed and constructed on skid mounted for simple installation and mobility purposes.

Our Equipment

Our Rig fleet

As on December 31, 2017 we own and operate a fleet of 34 rigs comprising of 19 Drilling Rigs and 15 Workover Rigs. Our Rig fleet can be categorized into three broad categories:

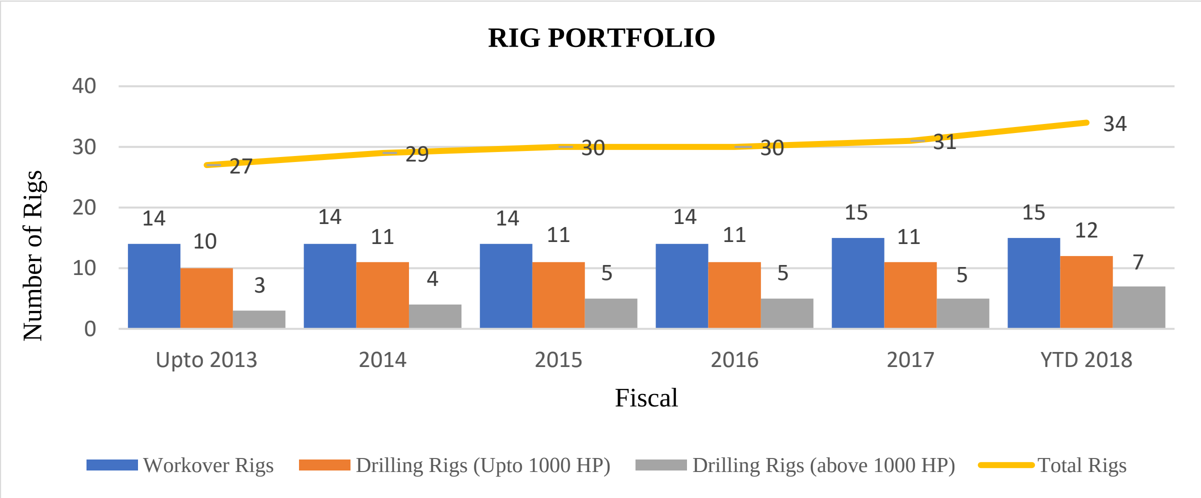
Rig Type	Rig Category	Capacity (HP)	No.	Average Age (years)
Workover Rigs	Category I	145 HP to 750 HP	15	25.80
Drilling Rig	Category II	up to 1,000 HP	12	14.58
Drilling Rig	Category III	above 1,000 HP	7	11.85
Total			**34**	

The type and quality of a fleet are key factors in a company’s revenue growth in our industry. Significant qualities of a Rig include depth, age, technological sophistication, horsepower, and the ability to operate in harsh environments. Generally, the newer, powerful and more automated the Rig is, the higher rate it can fetch.

Drilling rigs with higher power have capabilities to drill deeper and are ideal for deeper prospect well drilling. We have 19 drilling rigs that can drill depths from about 2,000 meters to 6,000 meters. We currently own seven rigs with capacities above 1,000 HP which are capable of drilling depths beyond 6,000 meters. Our Rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling. These rigs can operate in conditions of higher pressure and higher temperature conditions and, thus, can potentially attract relatively higher day rates.

Our Workover Rigs perform one or more of a variety of servicing/remedial operations on a producing well in pursuit to restoring or increasing production. Some of the functions for which a work-over rig is used are to seal off depleted zones in existing well bores, open new producing zones to enhance production or activate producing zones using processes. Workover Rigs are also used to convert former producing wells into water injection wells through which water or carbon dioxide is pumped into the formation to enhance the production of an oil field. Other workover services include major subsurface repairs such as casing repairs or replacement of deteriorated downhole equipment. Workover Rigs can also be utilized in the well completion process, which is the preparation of a newly drilled oil or natural gas well for production.

Rig Built-up since inception to December 31, 2017



Over the years we have transformed our rig fleet to include higher power and technically advanced rigs. This is in pursuit to cater the needs of E&P players. We have more than doubled our rig fleet since 2005. Our Company has focused on acquisition of modern medium and deeper prospect well drilling and deep workover Rigs in the last five years.

Our Rigs are capable of drilling in diverse and challenging environmental conditions. Rigs with specifications that meet the requirements of E&P players in technically challenging and remote production projects have competitive edge in terms of utilization rates and profitability. Our drilling Rigs are also adaptable for directional drilling and shale gas exploration activities which we believe have significant growth potential.

Gas Compressor Units

We own five gas compressor units which are provided for the compression of natural gas to the companies engaged in the production and transportation of natural gas.

We execute gas compression contracts on a turnkey basis which includes supply of equipment, installation and commissioning and operation and maintenance of gas engine driven compression packages. These contracts typically last for a period of five months and up to five years and may be on the basis of build own operate, build own operate transfer, dry lease and wet lease or operation and maintenance services.

Gas Dehydration Units

We own one gas dehydration unit which is currently contracted at Odalaveru Onshore Terminal in Andhra Pradesh for a period of 16 months from the date of mobilisation and commissioning.

We execute gas dehydration services on a turnkey basis which includes engineering, supply of equipment, installation, construction, commissioning, operation and maintenance of gas dehydration plant at the inlet of the gas dehydration unit at Kakinada and supply of the same at specified locations of contractor's pipeline.

Order Book

Our Order Book as of a particular date comprises estimated revenues from (i) the unexecuted portions of existing contracts as of such date; (ii) contracts for which definitive agreements have been executed; and (iii) contracts for which letters of intent/ award have been issued by the client, although definitive agreements have not yet been executed as of such date.

Due to the nature of our contracts, the likelihood of significant variation to the time period completion of contracts reflected in our Order Book and the period over which the revenues are realized is limited, however, since several factors leading to such variations may be beyond our control, there can be no assurance that our Order Book as of any particular date will be realized in its entirety or at all. Our Order Book information included in this Draft Red Herring Prospectus is therefore only indicative of our future revenues and does not reflect our future results of operations and investors should not place undue reliance on such information in making their investment decision.

The following table sets forth certain information relating to our Order Book:

(₹ in millions)

Sr. No.		**Estimated Order Book as of January 15, 2018**		**Total Estimated Order Book as of January 15, 2018 (contracted + LOA)**	**Percentage of Estimated Total Order Book as of January15, 2018**
		Contracted	**LOA**		
Upstream Services					
1.	Workover Rigs	423.29	125.64	548.93	7.03
2.	Drilling Rigs (Upto 1000 HP)	1,314.83	420.81	1,735.64	22.23
3.	Drilling Rigs (above 1000 HP)	4,330.63	-	4,330.63	55.46
Midstream Services					
1.	Gas compression services / Gas Dehydration Services	37.18	1,156.20	1,193.38	15.28
	Total	**6,105.93**	**1,702.65**	**7,808.58**	**100.00**

For further discussion on various factors that may affect the execution of our projects and consequently the realization of our Order Book, please see "*Risk Factors – Our Company can provide no assurance that its Order Book will be ultimately realized at the contracted amounts or at all.*" and "*Management's Discussion and Analysis of our Financial Condition and Results of Operations – Principal Factors Affecting our Performance*" on page 20 and 477, respectively.

Key terms of our drilling and workover contracts

While we seek to follow the IADC prescribed standard form of drilling and workover contracts, the terms and provisions of each of our contracts are individually negotiated with each client on a case-by-case basis and therefore vary significantly, although all of them are day rate drilling contracts. In some instances, we may be required to use the standard form of drilling contract adopted as a matter of policy by a client.

Our contracts typically provide for us to invoice our clients at the end of a calendar month for work performed during that month.

Scope of work, duration and location

A day rate drilling contract generally extends over a period of time to cover either the drilling of well(s) or to cover a stated term. Similarly, a day rate workover contract extends over a period of time to cover either the servicing of well(s) or to cover a stated term. The initial term of some of our contracts may be extended on one or more occasions as per contractual obligations for the drilling of additional wells or for an additional term or terms as per the requirements of the developer. The applicable day rates for any such extension period is either fixed from the beginning of the contract or is subject to negotiation prior to exercising the extension option. We are usually obligated to complete any wells that we have commenced drilling or servicing, even if that requires us to extend the duration of a drilling contract.

Each drilling contract defines the pre-determined geographical area within which drilling operations are to be conducted. It also defines the drilling contractors' obligations, the specifications for the equipment to be used by the drilling contractor, requirements and qualifications of drilling contractors' personnel, certification and inspection requirements, HSE requirements, etc.

Similarly, each workover contract identifies the block within which the workover services are to be undertaken. It also defines the contractors' obligations, the specifications for the equipment to be used by the contractor, requirements and qualifications of contractors' personnel, certification and inspection requirements, HSE requirements, etc.

Day rates

Our contracts generally require us to conduct drilling/ workover operations continuously during the term of the contract. The amount payable to us is calculated as a multiple of the applicable day rate and the time spent on hire in that mode or status, with an exception to fuel pricing in some of our contracts where fuel is considered as a variable component.

The applicable day rates vary depending on the status and the mode of the relevant rig. Higher day rates are generally payable while the relevant rig is operating, and this is usually referred to as the "Operating Rate". Depending on the terms of the relevant contract, lower day rates i.e. (i) "Standby Rate" which applies during periods when the relevant rig is not operating or in other pre-agreed circumstances as mentioned in the contract (i.e. waiting on cement, logging service etc.) and (ii) "Breakdown Rate" which applies during periods when the well operations cannot be carried out due to breakdown or failure of any item of our Equipment. Certain of our drilling contracts provide for a separate "Moving Rate" which applies when the drilling unit moves between well locations and separate "Stacking Rate" which applies when the drilling equipment is stacked at various locations as instructed by the contractor as per the contract. Further, in terms of the relevant contract a "Mobilisation Fee" may also be payable to us in consideration of mobilisation and/or demobilisation of the relevant rig, as opposed to a day rate.

During the term of the agreement, if the drilling or workover operations are interrupted or suspended due to breakdown of or need for repair to our equipment or in case of our failure to furnish any requirement for operations such as materials, supplies, equipment, or services or due to failure in the Rigs or destabilization of the rigs and if such failure results in the operations being materially affected, no day rate is usually payable to us and an Equipment Breakdown Day Rate is payable to us. Certain of our contracts also provide for a breakdown rate which is available for a certain grace period and beyond the grace period no day rate is payable.

Key Factors that influence the fixing of the day rates:

- **Location**: The rig's location is of prime importance for drilling companies. While some geographic areas experience a surge in drilling activity, others may witness a decline. Further, even though majority of rigs are mobile, moving them across regions is costly in terms of transportation expenses and service time lost.

- **Type and quality of rigs**: The type and quality of a fleet are key factors in a company's revenue growth in our industry. Significant qualities of a Rig include depth, age, technological sophistication, horsepower, and the ability to operate in harsh environments. Generally, the newer, powerful and more automated the Rig is, the higher rate it can fetch.

- **Cost of deployment and maintenance of rigs at the site:** The cost of deployment and maintenance of rigs at the site is an important factor that influences the prices of the drilling and workover contracts. The factors that determine the cost are (i) statutory compliance cost, (ii) risk mitigation cost (iii) weather conditions and (iv) logistical issues.

- **Specific requirements of the E&P companies:** E&P companies have certain specific requirements with respect to drilling contracts including the equipment to be used, personnel to be deployed and types of services to be rendered. The rates charged thus increase or decrease depending on the specifications that the E&P companies demand.

- **Drilling Conditions:** The drilling conditions greatly influence the day rates. The harsher the conditions, higher are the rates.

- **Demand and Supply:** The onshore Oil & Gas Drilling/Workover Rig service industry is concentrated amongst a few players with the demand outstripping supply pursuant to implementation of NELP in 1999. In light of the same, often there is a demand for Rigs of specifications, which may not be available with most of the players in the industry and the availability of Rigs with certain players influences the prices of the drilling and workover contracts.

All these factors play a significant role in determining the price for the contract.

Costs

We are typically responsible for the operating costs of our rigs, such as crew wages, electricity, fuel costs, consumables, rig maintenance, safety equipment, insurance and spare parts. We are also generally responsible for all taxes for which we or our sub-contractors are liable by reason of performing our contracts, as well as for import license fees and stamp duty, if applicable. In addition to drilling and workover services, meeting the relevant client's requirements, our contracts usually also provide for us to perform incidental services. Our customers typically pay us for any such incidental services, together with materials needed in connection therewith. Other than changes in taxes, our contracts do not usually provide adjustments to the day rate on account of our costs increasing or decreasing unless agreed on a case-by-case basis.

Mobilisation and additional client requirements

Most of our contracts define the technical specifications of the rig, the personnel being employed and the equipment, required by the relevant client to conduct drilling or workover operations, as applicable. Our clients usually also require certain of their own equipment and personnel to be installed on our rigs for the duration of the drilling contract.

Significant time may therefore be required to complete the work needed to prepare a rig for operations in accordance with a specific contract. In addition, clients may require us, under the terms of the contract, to meet particular health, safety, environmental and quality standards, and to comply with related codes of conduct and operating systems. We are usually also required to pay for and maintain insurance in compliance with the requirements of our client for the duration of the contract. In addition, we are generally responsible for obtaining any licenses, permits, certifications and authorisations required to conduct our drilling or workover operations, and for importing and exporting our rigs, personnel and equipment.

HSE at Rig Site

An operational manual is established for each project after thorough risk assessment and identifying the standard operating procedures to be adopted for conducting the operations onsite bridging the HSE requirements set by the Operator and our Company. Other key manuals such as Hazard Identification and Risk Register and Aspect Impact Register are issued for all projects to implement the HSE management system onsite. We also conduct HSE Audits and an annual IMS audit of each rig to monitor implementation with the HSE policy. Our Company has also established HSE Training Modules for all category of crew and which is mandatory for all employees.

Liabilities

Our contracts typically provide that we indemnify our clients for injury, loss or damage arising directly from our contractual breach, negligence or fault resulting in personal injury to client personnel, damage to client equipment or property, or certain types of pollution and other environmental incidents emanating from our equipment, except for oil or gas reservoir damage, for which our clients generally assume liability in all circumstances, subject to any agreed caps. We typically receive a reciprocal indemnity from our clients in respect of their acts and, except as a result of our negligence, our clients indemnify us for lessor damage to our property and equipment while it is being used in the well. In some of our drilling contracts, performance of our obligations is backed by a performance bond or by a guarantee, including, if required, corporate guarantees provided by us. Our contracts generally provide that we are not liable for any consequential or indirect damages or loss of anticipated profits sustained by our clients even if such damage or loss arises from our fault or negligence. To the extent that we incur liability in the performance of our duties under our drilling contracts, we believe we have insurance policies that cover the losses that may arise.

Clients and Markets

In domestic market, we have existing contractual arrangements with major E&P companies in India. We are also making efforts to diversify our client base by entering into long term contracts with overseas E&P companies, primarily in the Middle East and North Africa regions. We have also previously executed orders in Algeria, Kazakhstan and Uganda. For six months period ended September 30, 2017, Fiscal 2017, 2016 and 2015, 40.78%, 61.50%, 67.84% and 53.62% of our total revenue from operations was from our overseas contracts, respectively.

We continue to consider deploying our assets into other regions and locations where we believe there is strong demand for our services.

Sales and Marketing arrangement

A majority of our marketing activities are conducted by our business development personnel. However, in certain jurisdictions we also work with external agents and advisors to assist us in our marketing efforts. If an agent successfully assists us in winning a drilling contract, we pay the relevant agent a commission in form of fixed fee or percentage of contract consideration.

Typically, either directly or through an agent, we will approach an E&P company that we believe is in the market for our services, or it will solicit from the market expressions of interest or tenders for bids, to which we respond or bid, as the case may be. Bids are usually prepared to address two principal areas: technical capability and pricing. In terms of technical capability, we submit the technical features of the proposed, and most suitable, drilling asset from our available fleet to perform the type of work required, together with a comprehensive description of our credentials. Potential client will typically draw up a short-list based on the technical capability statements received and then evaluate the pricing terms offered. Subject to any other relevant commercial considerations, the contract is normally awarded to the short-listed bidder whose proposal has the lowest pricing. In some cases, we get ourselves pre-qualified with these E&P companies as some of the E&P companies invite bids only from pre-qualified companies.

Third Party Service Providers

In the event of company being awarded integrated contracts which includes (Drilling, Cementing, Mud logging, Mud engineering, cementing chemicals and mud chemicals), the company outsources cementing, mud engineering, mud logging services from third parties and provides project management on the outsourced services to the operator under one umbrella.

Quality Control and Integrated Management System

Our Company has received ISO 9001:2008 certification from Bureau Veritas for Quality Management System, ISO 14001:2004 certification from Bureau Veritas for Environmental Management System and OH&S 18001:2007 from Bureau Veritas for occupational health and safety management system in relation to the provision of services for onshore Oil & Gas field drilling and workover operations and compression of natural gas. Our Company has established, documented and maintained an Integrated Management System (IMS) in accordance with the requirements of the ISO 9001:2008 and ISO 14001:2004 and OH&S 18001:2007 certifications.

Our Company has established and documented an IMS Manual which documents the IMS policy, objectives, processes and creates an interrelation. It also documents the operational control procedures, quality assurance plan and programmes etc.

Our Company sets up the IMS objective for every year which acts as the guidance for our Company for the forthcoming year. The IMS policy is monitored by the Managing Director and other senior officers of our Company including Director (Operations), Director (Administration), CFO and Management Representative (appointed by the Managing Director).

Our Company has also been certified as ‘Contractor Member in Good Standing’ by the International Association of Drilling Contractors (IADC) since 2000.

Maintenance

Our Company has also put into effect Preventive Maintenance System (PMS) on all our Rigs. The PMS sets the procedures concerning proper service, maintenance, repair and overhauling of our Rigs and other equipment. The PMS for the Rigs is prepared keeping in mind the following:

- HSE Policy of our Company,
- suggestions and recommendations of Operator,
- international rules and standards namely the IADC, API, ISO 9000 series etc., and
- oil field experience.

All information, suggestions, remarks and recommendations are registered in PMS – Verification Report, which is made once per quarter or at shorter intervals, if necessary. The Verification Report provides the basis for planning overhaul, repair or standard service procedures.

Health, Safety and Environmental Management System

Our Company strives to achieve a healthy and safe environment at our drilling and workover sites by implementing internationally recognised environment, health and safety standards and applicable health, safety and environmental regulations in our operations. Our Company has put in place policies that will enable us to foresee, understand and manage risks in the operations and help in prevention of HSE related accidents and hazards. Our Company has implemented a safety policy and procedure with the objective to create a safe working environment and "an accident free rig". We have also prepared a safety policy on basic safe operating procedures on various equipment including hand tools and rotary slips.

We have policy of establishing Operational Manuals for each project after risk assessment and identifying the standard operating procedures to be adopted for conducting the operations onsite. The policy provides for quarterly HSE Audits and annual IMS audits of each rig to monitor implementation. Our Company has established HSE Training Modules for all category of crew and made it mandatory for all employees to attend the training modules. We have a policy to carry out Quarterly HSE internal audits of each rig to test for HSE deficiencies and to rectify the same, if any, in a timely manner. Our policy also mandates monthly internal inspections for Fire Fighting Equipments (FFE), well control equipment, rescue equipment, and all other safety equipment to record deficiencies, if any and to carry out subsequent actions such as repairs or replacements. Employees are incentivized to find and report potential risks and suggest remedies for the same.

Our Company also receives yearly certificates for operation of its lifting equipment from Government certified agencies. Rigs are also certified and validated on their working conditions by a third party, both while applying for a tender and after winning the same prior to its deployment. The client may also inspect all of the company's set of complimentary equipment before its use to confirm its working condition in accordance with manufacturer's API standards specifications.

Our Company has received many accolades in the field of Health & Safety and physical performances including from:

- Jubilant Energy Limited for achieving 365 days without Lost Time Injury (LTI);
- ONGC for 36 directional wells drilled without an LTI incident;
- Cairn India for achieving 781 days without a LTI;
- ONGC for excellent performance in overachieving half yearly targets for Financial Year 2010;
- Cash reward from Gujarat Gas Limited for working with good safety and HSE practice for Gas Compressor Operations.

ERP System

We have been using the "Microsoft Dynamics NAV 2013 R2", comprehensive ERP solution, which delivers to small and midsize businesses a greater control over their financials, supply chain and other rig sites operations. It consists various modules like financial management, purchase, sales & marketing, store and inventory, plant & maintenance, hr & payroll, jobs & resource, workshop operation and all rig/gas site operations daily processes/ activities. It also consists of various end user level reports as well as management level MIS reports for all modules.

Competition

The implementation of NELP in 1999 has not only increased the exploration scenario significantly, but also helped in bringing in much-needed risk capital and state-of-the-art technology to this sector. As per Care Report, in India, the onshore drilling industry is relatively concentrated amongst few players like our Company, Deep Industries Limited, Quippo Oil and Gas, GTC oil field services limited, Simplex Infrastructure Limited We believe, the quality of our execution of drilling contracts, rigs of high configuration, number of rigs and availability of operation systems and credentials with customers are the primary factors that distinguish us from our Competitors.

Further, the gas compression and gas dehydration services industry is characterized with limited players including players like our Company, Deep Industries Limited, HAL Offshore (*Source: CARE Report*) leading to oligopolistic nature of market. This has been primarily due to the high asset and technology intensive industry resulting to advantage to existing players. The capital intensity nature of the industry coupled with the relevant technical expertise act as entry barrier for new entrants.

Insurance

We maintain the insurance coverage of Non-movable assets/ Movable assets & and Inventories with sufficient Financial Coverage in the interest of the Company. We maintain insurance policies that we believe are adequate to cover us and customary for companies operating in our industry. We maintain an all risk policy to cover for material damage to our Rigs numbered John#1 to John#11 and John#13, standard fire and special perils policies for our other Rigs and standard fire and special perils policies at each of our well locations to cover losses due to fire, accidents etc. We maintain Energy Package Insurance for our Rigs against all risks of physical loss or damage from any external cause (including general average or salvage charges, if any) except wear and tear and gradual detoriation, terrorism, war, nuclear fission or radioactive force, insurrection, rebellion, civil works etc.

We also maintain a Keyman insurance policy to cover our executive Directors as indemnification (reimbursement) or losses or advancement of defense costs in the event an insured suffers such a loss as a result of a legal action brought for alleged wrongful acts in their capacity as directors and officers.

We also maintain a group personal accident policy for our Employees including hospitalisation due to accident and terrorism. Our insurance coverage is subject to customary limitations, exclusions and deductibles.

Human Resources

As of January 31, 2018 we employed a total of 1,537 employees in various disciplines including drilling, workover, production, technical, logistics, finance and administration, all of whom are our permanent employees. The following table sets out the break-up of our employees under various categories:

Sr. No.	Department	Number of Employees	Percentage (%)
1.	Highly Skilled	385	25.05
2.	Non Operational	222	14.44
3.	Skilled	235	15.29
4.	Supervisor	399	25.96
5.	Unskilled	296	19.26
	Total	**1,537**	**100**

We follow a 'Matrix' structure wherein a dedicated taskforce comprising of personnel from various disciplines is formed for each project. Each member of the task force is accountable to both the project manager and the respective functional manager. This type of structure ensures free flow of communication and command and enables to maintain focus on the project and facilitates quick response.

We believe that the experience and competence of our employees are our primary strength. Therefore, our Company has designed stringent selection criteria for our employees; especially those who are deployed on field duties. We also focus on training and development of our existing employees to achieve the goal of an efficient workforce. We impart the following basic training to our employees on an on-going basis:

- Basic Induction
- HSE Induction and HSE rig pass
- H_2S Safety
- Training on PMS in mechanical and electrical
- Fire-hazard awareness and basic fire-fighting techniques
- First aid training
- Mines vocational training (MVT)
- Well-cap and well control training/ well intervention (ICWF)
- Training in hazard analysis
- Work permit system training
- Awareness about Safe Operating Practices (SOP) and Oil Well Drilling Practices (OWDP)

Our Company also inducts fresh graduate engineers and train them for future manpower requirements. Our Company also encourages our employees to undertake training outside the company with industry bodies and organisation to try and imbibe the best of the industry practices in our Company.

Our Company has set up a dedicated training centre at Jagudan, Ahmedabad-Mehsana Highway, Gujarat which is equipped for providing detailed technical and management training sessions to our employees and to impart knowhow about the latest improvements in processes and technology in relation to our activities.

Properties

As of December 31, 2017, our Company owns or has entered into Lease agreements for the following properties:

Owned Properties

Sr. No	Particulars	Location	Agreement and Date of Agreement
1.	Corporate Office	Office nos 101-105, Shapath-III, 1st Floor, Sarkhej-Gandhinagar Highway, Near GNFC Tower, Ahmedabad – 380 054, Gujarat, India, admeasuring about 1,115 sq ft, 1,635 sq ft, 2,865 sq ft, 1,405 sq ft and 1,025 sq ft (super built up) area of the office respectively	Sale Deed dated July 20, 2004 between Shapath Organisers Private Limited, our Company and Savvy Construction Company
2.	Store	a) Block No. 697 (paiki) (Old Survey No. 635/3) admeasuring about 1063.38 sq. meters, and land of Block No. 703 (paiki) (Old Survey No. 639 and 635/4), admeasuring about 11148 sq. meters., at Ahmedabad – Mehsana Highway, Jagudan – 387210, Gujarat, India	Sale Deed dated January 24, 2007 between Noble Tubes and Engineers Private Limited and our Company
		b) Block No. 697 (paiki) (Old Survey No. 635/3), admeasuring about 2323.23 sq. meters, and land of Block No. 703 paiki (Old Survey No. 639 and 635/4) admeasuring about 11515 sq. meters, at Ahmedabad – Mehsana Highway, Jagudan – 387210, Gujarat, India	Sale Deed dated January 24, 2007 between Navin Heat Exchangers Private Limited and our Company
		c) Block No. 698 (paiki), admeasuring about 40 sq. meters, at Ahmedabad – Mehsana Highway, Jagudan – 387210, Gujarat, India	Sale Deed dated January 24, 2007 between Navin Heat Exchangers Private Limited, our Company and Noble Tubes And Engineers Private Limited (As confirming party)

Leasehold Properties

Sr. No.	Particulars	Location	Agreement and Date of Agreement	Validity	Fees/ Rent payable
1.	Registered Office	220, GIDC Estate, Mehsana – 384 002 Gujarat, India.	License Agreement dated December 16, 1983 and Lease Deed dated October 14, 1988 between GIDC and our Company read with Supplementary Agreement dated July 21, 2000 between GIDC and our Company.	99 years commencing on December 16, 1983. The lease is subject to renewal upon expiry for a further period of 99 years at the instance of the Lessee.	₹ 164,000 towards the premium price Yearly rent of ₹ 5 payable on or before March 31 every year

Sr. No.	Particulars	Location	Agreement and Date of Agreement	Validity	Fees/ Rent payable
2.	Corporate Office	106-110, Shapath-III, 1st Floor, Sarkhej-Gandhinagar Highway, Near GNFC Tower, Ahmedabad – 380 054 Gujarat, India	Lease Deed dated March 29, 2011 between John Oil and Gas Limited and our Company.	Three years from April 1, 2011. The Lease Deed was renewed on March 29, 2014 and then on March 29, 2017 for a further period of three years.	₹ 960,000 towards security deposit Monthly rent payable ₹ 450,000
3.	Base Camp	Plot No.225, GIDC Estate, Mehsana – 384 002 Gujarat, India	Lease Deed dated March 29, 2011 between John Oil and Gas Limited and our Company.	Three years from April 1, 2011. The Lease Deed was renewed on March 29, 2014 and then on March 29, 2017 for a term of three years.	₹ 600,000 towards security deposit. Monthly rent of ₹ 125,000
4.	Assam GST	Ground Floor, Chandi Bhawan,Rupali Ali,Jorhat town, Assam	Deed of rent agreement dated February 1, 2017 between Shilpa Chandak and our Company	11 months from February 1, 2017. The Deed of rent agreement was renewed on February 1, 2018 for a term of 11 months.	Monthly rent of ₹ 4,000
5.	Tripura GST Office	Rabinrapally, GLI NO 02. Near TMC, Hapania, ONGC, Agartala, Tripura – 799 014	Lease agreement dated April 1, 2017 between Niranjan Bikash Dey and our Company.	12 months from April 1, 2017.	Monthly rent of ₹ 1,500
6.	Heduva Yard	Heduva Nagalpur Highway Road, Deduva Land	Land rent agreement dated November 1, 2016 between Kashiram Jyotaram Patel/Ishwarbhai Babaldas Patel and our Company	11 months from November 1, 2016. The Land rent agreement was renewed from November 1, 2017 for 11 months.	₹ 50,000 towards security deposit ₹ 35,000 for month or prorate for part
7.	Barmer Yard	Surya Sai Enterprises S-126 RIICO Industrial Area, Barmer – 344 001	Deed of rent agreement dated September 25, 2017 between Shri Arjun Mali and our Company	11 months from September 25, 2017.	Monthly rent ₹ 5,000
8.	Algeria Office	Villa N° 2 Houaicine Cheraga, Alger-16006	Rental agreement dated August 1, 2017 between Bessah imene and our Company	12 months from March 25, 2017 to March 24, 2018.	Monthly rent of Algerian Dinar 5,00,000
9.	Andhra Pradesh GST Office	D. No: 3-64/2, Spinning Mill Colony - 2, APHB Colony, Lalacheruvu, Rajahmundry	Lease agreement dated June 30, 2017 between M.V. Sreerama Chandra Murthy and our Company.	12 months from June 30, 2017 to May 31, 2018.	Monthly rent of ₹ 4,000.
10.	Mumbai Office Rent	Office No 22, 2nd Floor, Hi Life Premsies, P.M. Road,Santa cruz (W), Mumbai-400054	Leave and License agreement dated June 28, 2017 between Shree Shubh Labh Enterprises and our Company.	36 months from April 1, 2017 to March 31, 2020.	Monthly rent of ₹ 75,000 per month as monthly rent.
11.	John International	JBC 2, Jumeirah Lake Towers	Tenancy contract dated April 24, 2017 between	12 months from May 1, 2017 to	AED 13,428 towards security

Sr. No.	Particulars	Location	Agreement and Date of Agreement	Validity	Fees/ Rent payable
	DMCC Office		Rajesh Kumar Passi and our Company.	April 30, 2018.	deposit. Annual rent of AED 134,280.

KEY REGULATIONS AND POLICIES

The following is an overview of the important laws and regulations, which are relevant to our business and related sectors. The regulations set out below are not exhaustive and are only intended to provide general information. The following is neither designed nor intended to be a substitute for professional legal advice. Industry related regulations imposing duties upon service providers such as the Oilfields (Regulation and Development) Act, 1948, Oil Mines Regulations, 2017 and the Bureau of Indian Standards Act, 2016 apply to the Company. Taxation statutes such as the I.T. Act, rules under the Goods and Services Tax Act, 2017, the FDI Circular 2017 and labour regulations such as the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, Employees' Provident Fund and Miscellaneous Act, 1952 etc. and environmental regulations apply to us as they do to any other company. For details of government approvals obtained by us in compliance with these regulations, please refer to "Government and Other Approvals" on page 515. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Oil Mines Regulation Act, 2017 ("Mines Regulation")

The Oil Mines Regulations, 2017 issued under the Mines Act, 1952 regulate the operation of a mine by its owner and various intermediaries such as suppliers, designers, manufacturers, contractors and employees, stipulate requirements for equipment and machinery and other conditions employed in a process of mining and prescribe mandatory safety provisions to be complied with. Duties for suppliers and manufacturers of machinery, equipment and substances used in mines to ensure safety and health standards and information availability on their maintenance, use and mitigation of risks is imposed therein. Similar duties are imposed on a contractor deployed in a mine for any work to ensure training of workers and maintenance of safety standards in the work. Use and transportation of explosives for the perforation of wells, including activities pursued for the activation of wells, must be carried out by a duly appointed competent person as defined under the Act in compliance with the Oil Industry Safety Directorate Standard (OISD-STD-191), as updated. Technical specifications for drilling and work-over equipment and certain processes of common use to the industry must be ensured as per the Regulations. Indirect liability for compliance of these Regulations by contractors, designers and service providers is placed on the owner or manager of a mine.

Environmental Regulations

Pursuant to the Environment Protection Act, 1986 ("**Environment Protection Act**") read with the Environment (Protection) Rules, 1986, as amended ("**Environment Rules**"), the Central Government is empowered to make rules to regulate and protect the environment against pollution-related activities. Further, the Water (Prevention and Control of Pollution) Act 1974 ("**Water Act**") and the Air (Prevention and Control of Pollution) Act, 1981 ("**Air Act**") also present guidelines to maintain standards of quality of air, water or soil for various areas, set limits of concentration of various environmental pollutants for different areas and set out procedures and safeguards for the prevention of accidents which may cause environmental pollution, as well as suggest remedial measures for such accidents.

Pollution Control Boards ("**PCBs**") have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. The PCBs are responsible for setting the standards for the maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders from the PCBs, and these orders are required to be renewed annually.

Foreign Investment Regime

Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act and the rules, regulations and notifications there under, as issued by the RBI 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 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, 2017 ("**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.

Labour Legislations

Factories Act, 1948 ("Factories Act")

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. The Factories Act also requires inter alia the maintenance of various registers dealing with safety and labour standards. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

Contract Labour (Regulation and Abolition) Act, 1970 ("Contract Labour Act")

The Contract Labour Act is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. It applies to every establishment or contractor by whom 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. Further, it contains provisions regarding registration of establishments, licensing of contractors and welfare and health of the contract labour.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 ("Migrant Workmen Regulations")

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time and obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The Act levies duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen. Our Company, as a contractor employing workers for specific assignments would be required to fulfil these obligations.

In addition to the above, compliance with certain other laws in relation to the employment of labour is required by our Company. The following is an indicative list of additional labour laws applicable to our operations:

- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' Compensation Act, 1923;
- Employees' State Insurance Act, 1948;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Minimum Wages Act, 1948;
- Personal Injuries (Compensation Insurance) Act, 1963;
- Payment of Wages Act, 1936;
- Equal Remuneration Act, 1976;
- Public Liability Insurance Act, 1991; and
- Weekly Holidays Act, 1942.

Tax Related Legislations

The Central Goods and Services Tax Act, 2017 (the "GST Act")

The GST Act levies tax on supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India as applicable from July 1, 2017. Under GST, goods and services are taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption -based tax, therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Additional tax related laws that are applicable to us include the Income Tax Act, 1961, the Customs Act, 1962 and various rules and notifications issued by tax authorities.

Other Legislations

Trade Marks Act, 1999

The Trademarks Act lays out the guidelines for the registration of trademarks and for granting exclusive rights of trademarks such as brand, label and heading etc. The process of application for registration is elaborated via the Controller-General of Patents, Designs and Trademarks who acts as the Registrar of Trademarks. Further, the act also provides for infringement remedies, and exclusively prohibits any registration of deceptively similar trademarks. The Trademark Act sets out penalties for infringement, in particular false application of a trademark.

For information on the regulatory approvals obtained by and applied for by our Company, please refer to "*Government and Other Approvals*" on page 515.

HISTORY AND CORPORATE STRUCTURE

Our Company was incorporated on October 9, 1987 as 'John Equipments Private Limited' under the Companies Act, 1956 as a private limited company. Subsequently, upon conversion of our Company into a public limited company pursuant to a resolution of our Shareholders on January 1, 1998, our Company's name was changed to 'John Equipments Limited' and a fresh certificate of incorporation was issued by the RoC on April 7, 1998. Our Company's name was subsequently changed to 'John Energy Limited' and a fresh certificate of incorporation was issued by the RoC on April 13, 1998.

Changes in the Registered Office

Our Company has not changed its registered office i.e. 220, GIDC Estate, Mehsana – 384 002, Gujarat, India since its incorporation.

Changes in the Memorandum of Association of our Company

The following changes have been made to the Memorandum of Association of our Company since its incorporation:

Date of Shareholders' Approval	Nature of change
March 24, 1993	Increase in the initial authorized share capital from ₹ 1,000,000, comprising of 1,000 equity shares of ₹ 1,000 each to ₹ 4,000,000, comprising of 4,000 equity shares of ₹ 1,000 each, by addition of 3,000 equity shares of ₹ 1,000 each.
August 31, 1994	Increase in the authorized share capital from ₹ 4,000,000, comprising of 4,000 equity shares of ₹ 1,000 each to ₹ 20,000,000, comprising of 20,000 equity shares of ₹ 1,000 each, by addition of 16,000 equity shares of ₹ 1,000 each.
January 10,1996	Change in the clause IIIB of the MoA i.e. the objects incidental or ancillary to the attainment of the main objects by including the following objects: 25-A Subject to the provisions of the Act, the company shall have power to borrow any sum or sums of money for the purpose of the company on such terms and conditions and from such person or person, firms, banks or any financial, industrial institutions or any government or semi-government, corporations as the company may deem fit, whether with or without giving the security or by mortgage of any lands, buildings, machineries, goods or other properties of the company or otherwise, charged upon all or any of the Company's properties (both present and future) including its uncalled capital 25 – B To mortgage or lease or create any charge on any property of the company for obtaining any loans, bridge loan or any type of finance. 25-C To open current or fixed accounts with any bank, bankers shroff or merchants and to pay into and draw money from such accounts and to draw, make, endorse, discount and execute all types of negotiable instruments.
	Change in the clause IIIC of the MoA i.e. the other objects by including the following objects: *32. To carry on the business of oil and gas exploration in India or outside like drilling oil wells, conduction seismic survey, obtaining oilfields on production sharing basis or otherwise maintenance of running or defective wells, production testing and logging services and allied services and activities like hiring of equipments and tools in project on turnkey basis or otherwise by manufacturing, producing processing, reprocessing, repacking, developing, designing, assembling, altering, renovating, galvanizing, painting, cutting, clearing, converting, fitting fabricating, erecting, installing, serving, testing, consulting, marketing, distributing, buying, selling reselling, purchasing, importing, exporting, indenting, trading, manufacturing, representing and otherwise deal in all types of drilling rigs and oil field equipments as well as tubewell, rig mud pumps, oil exploring machineries and their tools, parts and accessories* *33. To carry on the business as manufacturers and processors of disposable and all types of*

Date of Shareholders' Approval	Nature of change
	diapers, baby care products, sanitary napkins and other medicinal, clinical and toiletery products. *34. To carry on the trade or businesses of iron makers, steel makers, steel converters, collery proprietors, coal manufacturers, miners, smelters, tin plate makers and iron founders and also to carry on the business of mechanical engineers and manufacturers of machinery, tool makers, brass founders, metal workers, mill wrights, machinists, wood workers, builders and suppliers, painters, metallurgists, water supply engineers, gas makers, printers and to repair, convert, alter, let on hire and deal in machinery, implements, rolling stock and hardware of all kinds.* *35. To carry on and undertake the business of finance and trading, hire purchase leasing and to finance lease operation of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipments that the company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transaction and to subside, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of All and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all form of immovable property including lands buildings, plants and machinery, equipments, ships, aircrafts, automobiles, computers and all consumers commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof regardless of whether the property purchased and leased be new and/or used and to carry on business as capitalists, commercial agents, mortgage brokers and financial advisors.* *36. To under-take or direct the construction and the maintenance of and to acquire by purchase, lease, exchange, hire or otherwise, land or property, building and assets of any tenure of any interest therein, to sell, lease, let, mortgage or otherwise dispose of the same and to purchase and sell for any person free hold or lease hold land, house, property, buildings, offices, factories, workshops, godowns, farm houses, farms or any share/interest therein and to carry on the business of land and estate agent on commission or otherwise.* *37. To carry on the business of and act as promoters, organisers and developers of land, estate, property, co-operative housing societies, association, housing schemes, shopping-office complexes, townships, farms, farm houses, holiday resorts, hotels, motels and to finance with or without security for the same and to deal with and improve such properties either as owner or as agents.* *38. To carry on the business of an investment company and to invest in and acquire and hold and otherwise deal in shares, stocks, debentures, debenture-stocks, bonds obligations and securities issued or guaranteed by any company constituted or private industrial enterprises carrying on business in India or elsewhere and shares, debentures, debenture-stocks, bonds obligations and securities issued or guaranteed by any Government, State, Dominion, Sovereign, Public body or authority, Supreme, Municipal local or otherwise whether in India elsewhere.* *39. To carry on the business of manufacturer, dealers, buyers, sellers, Importers, Exporters and to deal in any type of readymade, knitted garments made out of any types of fabrics, in India or elsewhere.*
February 1, 1996	Increase in the authorized share capital from ₹ 20,000,000, comprising of 20,000 equity shares of ₹ 1,000 each to ₹ 30,000,000, comprising of 30,000 equity shares of ₹ 1,000 each, by addition of 10,000 equity shares of ₹ 1,000 each.
July 10, 1997	Increase in the authorized share capital from ₹ 30,000,000, comprising of 30,000 Equity Shares of ₹ 1,000 each to ₹ 50,000,000, comprising of 50,000 Equity Shares of ₹ 1,000 each, by addition of 20,000 Equity Shares of ₹ 1,000 each.

Date of Shareholders' Approval	Nature of change
December 31, 1997	Increase in the authorized share capital from ₹ 50,000,000, comprising of 50,000 Equity Shares of ₹ 1,000 each to ₹ 75,000,000, comprising of 75,000 Equity Shares of ₹ 1,000 each, by addition of 25,000 Equity Shares of ₹ 1,000 each.
	Change in the main objects clause of the MoA by including the following objects: *2A. To purchase or otherwise acquire and to import, export, trade and deal in petrochemicals and chemicals of all kinds, their products, by-products and derivatives.* *2B. To manufacture, install, process, provide technical know-how, buy, sell, exchange, alter, improve, import or export or otherwise deal in all kinds of power/energy appliances, energy saving devices, solar/wind/hydro/non-conventional energy saving products, gadgets and components for industrial business and household application.*
January 1, 1998	Conversion of our Company into a public limited company and change in name to "John Equipments Limited".
	Change of name from "John Equipments Limited" to "John Energy Limited".
April 11, 1998	Subdivision of face value of equity shares of our Company from ₹ 1,000 to ₹ 10. The authorised share capital pursuant to the subdivision of equity shares was ₹ 75,000,000, comprising of 7,500,000 equity shares of ₹ 10 each
March 28, 2005	Increase in the authorized share capital from ₹ 75,000,000, comprising of 7,500,000 equity shares of ₹ 10 each to ₹ 100,000,000, comprising of 10,000,000 equity shares of ₹ 10 each, by addition of 2,500,000 equity shares of ₹ 10 each.
October 30, 2006	Increase in the authorized share capital from ₹ 100,000,000, comprising of 10,000,000 equity shares of ₹ 10 each to ₹ 200,000,000, comprising of 14,000,000 equity shares of ₹ 10 each and 600,000 6% cumulative redeemable preference shares of ₹ 100 each, by addition of 4,000,000 equity shares of ₹ 10 each and 600,000 6% cumulative redeemable preference shares of ₹ 100 each.
	Change in the main objects clause of the MoA by moving object no. 32 from the 'Other Objects' to the main objects as main object no. 2C: *2C. To carry on the business of oil and gas exploration in India and outside like drilling oil wells, conduction seismic survey, obtaining oilfields on production sharing basis or otherwise maintenance of running or defective wells, productions, testing and logging services and allied services and activities like hiring any equipments and tools in projects on turnkey basis or otherwise by manufacturing, producing, processing, reprocessing, repacking, developing, designing, assembling, alerting, renovating, galvanizing, painting, cutting, cleaning, converting, fitting, fabricating, erecting, installing, serving, testing, consulting, marketing, distributing, buying, selling, reselling, purchasing, importing, exporting, indenting, trading, manufacture, representing and otherwise deal in all types of drilling rigs and oil field equipments as well as tube-well, rig mud pumps, oil exploring machineries and their tools, parts and accessories.*
September 29, 2007	Increase in the authorized share capital from ₹ 200,000,000, comprising of 14,000,000 equity shares of ₹ 10 each and 600,000 6% cumulative redeemable preference shares of ₹ 100 each to ₹ 250,000,000, comprising of 19,000,000 equity shares of ₹ 10 each and 600,000 6% cumulative redeemable preference shares of ₹ 100 each, by addition of 5,000,000 equity shares of ₹ 10 each.
December 7, 2009	Change in the objects clause of the MoA by including the objects numbered 25D to the objects incidental or ancillary to the attainment of the main objects: *25D. To amalgamate, enter in to partnership or in to any arrangement for sharing or pooling of profits, amalgamation, union of interest, co-operation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on any business or transaction which may seem capable of being carried on or conducted so as, directly or indirectly to benefit the Company*
September 27, 2011	Increase in the authorized share capital from ₹ 250,000,000, comprising of 19,000,000 equity shares of ₹ 10 each and 600,000 preference shares of ₹ 100 each to ₹ 391,560,300, comprising

Date of Shareholders' Approval	Nature of change
	of 19,000,000 equity shares of ₹ 10 each and 1,100,600 6% cumulative redeemable preference shares of ₹ 100 each, 150,000 optionally convertible cumulative redeemable preference shares of ₹ 10 each and 900,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each, by addition 500,600 6% cumulative redeemable preference shares of ₹ 100 each, 150,000 optionally convertible cumulative redeemable preference shares of ₹ 10 each and 900,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each.
January 5, 2012	Increase in the authorized share capital from ₹ 391,560,300, comprising of 19,000,000 equity shares of ₹ 10 each and 1,100,600 6% cumulative redeemable preference shares of ₹ 100 each, 150,000 optionally convertible cumulative redeemable preference shares of ₹ 10 each and 900,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each to ₹ 395,560,300, comprising of 19,400,000 equity shares of ₹ 10 each 1,100,600 6% cumulative redeemable preference shares of ₹ 100 each, 150,000 optionally convertible cumulative redeemable preference shares of ₹ 10 each and 900,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each, by addition of 400,000 equity shares of ₹ 10 each pursuant to amalgamation of John Engineering Private Limited with our Company as duly approved by the Hon'ble High Court of Gujarat
September 26, 2014	Reclassification of authorized share capital of ₹ 395,560,300, comprising of 19,400,000 equity shares of ₹ 10 each, 1,100,600 6% cumulative redeemable preference shares of ₹ 100 each, 150,000 optionally convertible cumulative redeemable preference shares of ₹ 10 each and 900,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each, to 30,556,000 equity shares of ₹ 10 each and 900,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each.
September 29, 2017	Reclassification of authorized share capital of ₹ 395,560,300, comprising of 3,05,56,000 equity shares of ₹ 10 each and 9,00,003 optionally convertible cumulative redeemable preference shares of ₹ 100 each to 39,556,030 equity shares of ₹ 10 each.

Key Events, Milestones and Achievements

Calendar Year	Milestone
1987	Incorporated as a private limited company, i.e. John Equipments Private Limited
1998	Name of our Company was changed to John Energy Limited
2000	Became a member of International Association of Drilling Contractors
2006	Investment by RARE in our Company
2007	Commenced its first international operations in Kazakhstan
	Acquired our first 2,000 HP drilling rig
2008	Successfully drilled a 4,500 metres deep well
	Surpassed ₹ 1,000 million in turnover as of and for the financial year ended March 31, 2008
2010	Investment by IRC in our Company
2011	Obtained international contract in Algeria
	Investment by IL&FS in our Company through OCCRPS and Equity Shares
	Investment by ICICI in our Company through OCCRPS
	Commenced operations in Algeria
2012	Amalgamation of John Engineering Private Limited, a company engaged in the business of manufacturing of rigs with our Company
	Acquired two drilling rigs of 1,000 HP each
2013	Company acquired one drilling rig of 2,000 HP
2014	Surpassed ₹ 5,000 million in turnover as of and for the financial year ended March 31, 2014
2017	Received our first contract for gas dehydration services.

Awards and accreditations

Calendar year	Awards and accreditations
2009	ISO 9001:2008, ISO 14001:2004 and BS OHSAS 18001: 2007 by Bureau Veritas certification for compliance by our Company with the management system standards • at our head office in relation to the provision of services for onshore oil and gas field drilling and work over operations and gas compression at terminal.

Calendar year	Awards and accreditations
	• at our workshop in relation to storage and issue of spares and consumables for operations of drilling and workover, breakdown and preventive maintenance of oil and gas drilling and workover rigs, gas compressor and associated utilities.
2012	Outstanding achievement of "Zero LTI" for operations Contract number 4600000927 for onshore completion and workover rig in Block RJ-ON-90/1 of Cairn Energy India Pty. Limited
2013	Rig of the year Award awarded by Cairn India Limited to John Energy 18 Rig Crew
2016	New Well Record awarded by Sonatrach for completion of Algeria "ACW5Bis" project 11 days prior to the expected date of completion.
2016	New Well Record awarded by Sonatrach for completion of Algeria "HSMK-2" project 16. days prior to the expected date of completion.
2017	New Well Record awarded by Sonatrach for completion of Algeria "RCL 15bis" project 8 days prior to the expected date of completion.

Other details regarding our Company

For details of our Company's corporate profile, business, marketing, the description of our activities, services, products, market of each segment, the growth of our Company, profits due to foreign operations and country-wise analysis, standing of our Company in relation to competitors with reference to our products and services, technology, market, capacity built-up, major suppliers and customers, environmental issues and geographical segment, etc. (as applicable), see the sections "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 134, 111 and 476, respectively.

Main Objects of our Company

Our main objects enable us to carry on our current business. The main objects of our Company are:

1. *To carry on the business or businesses of manufacturers, repairers, assemblers, importers and exporters of and dealers in drilling equipments and allied machineries and spares and parts relating to tube well drilling.*

2A. *To purchase or otherwise acquire and to import, export, trade and deal in petrochemicals and chemicals of all kinds, their products, by-products and derivatives.*

2B. *To manufacture, install, process, provide technical know-how, buy, sell, exchange, alter, improve, import or export or otherwise deal in all kinds of power/energy appliances, energy saving devices, solar/wind/hydro/non-conventional energy saving products, gadgets and components for industrial business and household applications.*

2C. *To carry on the business of oil and gas exploration in India and outside like drilling oil wells, conduction seismic survey, obtaining oilfields on production sharing basis or otherwise maintenance of running or defective wells, productions, testing and logging services and allied services and activities like hiring any equipments and tools in projects on turnkey basis or otherwise by manufacturing, producing, processing, reprocessing, repacking, developing, designing, assembling, alerting, renovating, galvanizing, painting, cutting, cleaning, converting, fitting, fabricating, erecting, installing, serving, testing, consulting, marketing, distributing, buying, selling, reselling, purchasing, importing, exporting, indenting, trading, manufacture, representing and otherwise deal in all types of drilling rigs and oil field equipments as well as tube-well, rig mud pumps, oil exploring machineries and their tools, parts and accessories.*

Our Shareholders

Our Company has 53 Shareholders as of the date of filing of this Draft Red Herring Prospectus. For further details regarding our Shareholders, see the section titled "*Capital Structure*" on page 83.

Injunction or Restraining Order

Our Company is not operating under, any and there are, no injunctions or restraining orders.

Time and Cost Overruns

We are engaged in providing services such as land-based drilling, workover drilling, gas compression services, gas dehydration services and other integrated contract services to companies engaged in the onshore exploration, development and production of Oil & Gas. In the past we have delayed in mobilisation of rigs in certain of our projects due to which liquidated damages have been imposed on us. For further details, see "*Risk Factors – Expiry of our existing contracts or termination of our contracts may adversely affect our results of operations and financial condition. Additionally, we have in the past and may in the future continue to incur liquidated damages.*" on page 19.

Lock-out, Strikes etc.

There have been no lock-outs, strikes etc. during the last five years preceding the date of this Draft Red Herring Prospectus.

Changes in the activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profit and loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Capital raising through equity and debt

Except as mentioned in the chapter "*Capital Structure*" beginning on page 83, our Company has not raised any capital by way of equity or convertible instruments. For details of debts facilities availed by our Company, please refer to the chapter "*Financial Indebtedness"* beginning on page 507.

Defaults or rescheduling of borrowings from financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings from financial institutions/ banks or conversion of loans into equity shares of our Company.

Revaluation of Fixed Assets

Our Company has revalued its fixed assets once in the Financial Year 1994-1995 and issued 9,400 bonus equity shares to the existing equity shareholders as on June 30, 1994. Other than as stated above our Company has not revalued its fixed assets since incorporation.

Acquisition of business/undertakings

Except for the amalgamation of John Engineering Private Limited, with our Company on January 5, 2012 (with the appointed date of merger being April 1, 2010) our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers and amalgamations.

Scheme of amalgamation

A scheme of amalgamation was filed by John Engineering Private Limited ("**JEPL**") and our Company under Sections 391 to 394 of the Companies Act 1956, before the High Court of Gujarat with a view to amalgamate JEPL with our Company. By an order dated September 16, 2011, the High Court of Gujarat granted sanction to the scheme of amalgamation with effect from April 1, 2010 (the "**Appointed Date**").

The Scheme provides for the transfer and vesting of the "amalgamated undertaking" (as described below) in our Company as a going concern. The amalgamated undertaking means the undertaking and the entire business of JEPL and *inter alia* includes all the undertakings, the entire business, all the properties and assets, wherever situated, including the right to use such assets and all the debts, liabilities, duties and obligations of JEPL as on the Appointed Date. In terms of the Scheme, as consideration for the transfer and vesting of the undertaking and the liabilities of the amalgamated company, our Company has allotted 182 6% Cumulative Redeemable Preference Shares of ₹ 100 each for every 100 fully paid equity share of ₹ 10 each held by a shareholder in JEPL on the Appointed Date.

Summary of Key Agreements

1. ***Subscription and Shareholders' Agreement dated August 10, 2006 among Rakesh Radheyshyam Jhunjhunwala (the "Investor"), Maheshkumar N. Vyas (representing Dilipkumar N. Vyas, Bhartiben G. Panchal and John Oil and Gas Limited) and our Company.***

Pursuant to a subscription and shareholders' agreement dated August 10, 2006 (the "**SSSHA**"), (i) the Investor agreed to subscribe to 3,289,500 Equity Shares at a price of ₹ 121.60 per share aggregating to ₹ 400,003,200 and (ii) 823,800 Equity Shares at a price of ₹ 121.60 per share to be subscribed by certain affiliates of the Investor.

Further, as per the SSSHA, the Investor was entitled to the following*:*

- Right to appoint such number of Directors to the Board as represent his shareholding in our Company, provided that the Investor always has the right to appoint at least one Director.
- Decisions and resolutions on certain fundamental matters in any general meeting of the shareholders of our Company or any meeting of the Board or a committee of the Board requires the written consent / affirmative vote of the Investor or his nominee Director. These matters, *inter alia*, include:
    i. capital expenditure or indebtedness beyond 10% of that budgeted for in the annual business plan;
    ii. amendments to the Memorandum and Articles of Association of our Company;
    iii. commencement of a new line of business;
    iv. commencement or settlement of litigation where the amount involved exceeds ₹ 5,000,000;
    v. commencement of operations outside India;
    vi. re-organisation of share capital of our Company or our Subsidiaries or any other company in which our Company has investments; and
    vii. grant of employee stock options or sweat equity shares;
- *Anti-Dilution Rights:* Any future issue of any Equity Shares by our Company is required to be implemented in such a manner that all the existing shareholders shall be diluted in proportion to their shareholding in our Company. However, such pro-rata dilution of the existing shareholders shall not be applicable in case of further issue of Equity Shares to the Investor.
- Tag-*Along and Co-Sale Rights:* The Investor has a right to transfer all or any of the Equity Shares held by him if the promoters of our Company transfer shares held by them which results in their collective shareholding falling below 51%.
- *Material breach*: In case of a material breach of the SSSHA, the Investor has the right to require the Maheshkumar N. Vyas, Dilipkumar N. Vyas, Bhartiben G. Panchal and John Oil and Gas Limited (promoters named in the SSHA)to purchase all of the Equity Shares held by him within a period of 90 days from the expiry of the 60 days of Maheshkumar N. Vyas, Dilipkumar N. Vyas, Bhartiben G. Panchal and John Oil and Gas Limited becoming aware of such breach.

Our Company, the Investor and Maheshkumar N. Vyas have entered into an amendment agreement dated December 22, 2017 ("**SSSHA Amendment Agreement**") pursuant to which the Investor has agreed to waive all its rights under the SSSHA from the date of this Draft Red Herring Prospectus. Further, the SSSHA and SSSHA Amendment Agreement shall automatically terminate upon the listing of the Equity Shares on the Stock Exchange.

2. Share Subscription and Purchase Agreement dated March 27, 2010 among IRC, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S. Vyas and John Oil and Gas Limited and our Company.

Pursuant to a Share Subscription and Purchase Agreement dated March 27, 2010 (the "**IRC SSPA**"), (i) IRC agreed to subscribe to 2,383,357 Equity Shares at a price of ₹ 314.70 per Equity Share aggregating to ₹ 750,042,448, and (ii) purchase of 476,510 Equity Shares at a price of ₹ 314.70 per Equity Share aggregating to ₹ 149,957,552 from JOGL. Pursuant to the signing of the IRC SSPA, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas, John Oil and Gas Limited and our Company entered into a shareholders' agreement dated March 27, 2010.

3. Shareholders Agreement dated March 27, 2010 among IRC, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S. Vyas and John Oil and Gas Limited and our Company.

Pursuant to the signing of the IRC SSPA, IRC, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S. Vyas, John Oil and Gas Limited and our Company entered into the Shareholders Agreement dated March 27, 2010 (the "**IRC SHA**"), pursuant to which IRC was entitled to the following rights:

- Rights to appoint a nominee director on the board and committees of the Subsidiaries.
- affirmative voting rights in relation to matters proposed to be passed at the meetings of the Board (including committees thereof) or meetings of shareholders, including;
    i. Any Business restructuring, reorganization and diversification, acquisitions, new investments, mergers, divestments, sale, transfer or amalgamation, or winding up of the Company and/or its assets/ liabilities/ business, issuance or sale of equity of subsidiaries or sale of assets any of which is in variance with annual budget approved by the Board;
    ii. Any change or re-organization of the Share Capital of our Company, either as a public offering or private or secondary sale or issue of shares or redemption, retirement or repurchase of any shares or other securities, issuance of convertible debentures or warrants or grant of any options over its shares by our Company or any commitments in respect to capitalization made by our Company under any bids submitted.
    iii. Any investment in the capital of another company, in the nature of shares, debentures, bonds or other securities;
    iv. Commencement or settlement of litigation involving an amount more than ₹ 5 million;
    v. Any amendment, restatement, modification or supplement to the Memorandum and/or Articles of Association;
- Prior written consent of IRC shall be required for our Company to make any new issuance of securities that have terms more favorable than those provided to IRC.
- Restriction on Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S. Vyas and John Oil and Gas Limited from transferring equity shares of our Company to any person (other than their own affiliates) unless IRC approves the same in writing.
- Several other special rights including the public offering rights, anti-dilution rights, the right to first refusal and tag along rights

Our Company, IRC, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S. Vyas and John Oil and Gas Limited, have entered into an amendment agreement dated December 22, 2017 ("**IRC Amendment Agreement**") pursuant to which IRC has agreed to waive all its rights under the IRC SHA from the date of this Draft Red Herring Prospectus. Further, the IRC SHA and the IRC Amendment Agreement shall automatically stand terminated upon the listing of the Equity Shares on the Stock Exchanges.

4. Subscription Agreement dated September 28, 2011 and addendum agreement dated October 9, 2015 among ICICI Bank Limited ("ICICI"), Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company.

Pursuant to a Subscription Agreement dated September 28, 2011 (the "**ICICI SSA**"), ICICI agreed to subscribe to 900,003 Optionally Cumulative Convertible Redeemable Preference Shares of face value ₹ 100 ("**OCCRPS**"), each issued at a premium of ₹ 733.33 aggregating to ₹ 749,999,500. Pursuant to the signing of the ICICI SSA, ICICI, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company entered into a shareholders' agreement dated September 28, 2011. Subsequently, ICICI converted the 900,003 OCCRPS to 820,967 Equity Shares on July 31, 2016.

5. Shareholders Agreement dated September 28, 2011 and addendum agreement dated October 9, 2015 among ICICI, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company.

Pursuant to the signing of the ICICI SSA, ICICI, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company entered into the Shareholders Agreement dated September 28, 2011 (the "**ICICI SHA**"). Pursuant to the shareholders' agreement, ICICI has certain customary rights available to private equity investors including but not limited to:

- right to nominate a director on the Board
- existing shareholders' right of first refusal over shares proposed to be transferred by ICICI
- tag along right in the event that Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal

S Vyas and John Oil and Gas Limited propose to transfer more than an aggregate of 10% of the fully diluted paid up share capital of our Company

- existing shareholders' drag along rights against the shares held by ICICI subject to certain conditions as set out in the agreement.

Our Company, ICICI and Chiragkumar M. Vyas have entered into an amendment agreement dated January 18, 2018 ("**ICICI Amendment Agreement**") pursuant to which ICICI has agreed to waive all its rights under the ICICI SHA from the date of this Draft Red Herring Prospectus. Further, the ICICI SHA and the ICICI Amendment Agreement shall automatically stand terminated upon the listing of the Equity Shares on the Stock Exchanges

6. Share Subscription Agreement dated September 28, 2011 amongst IL&FS Financial Services Limited, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company.

Pursuant to a share subscription agreement dated September 28, 2011 (the "**IL&FS SSA**"), (i) IL&FS agreed to invest an amount of ₹ 549,999,330 to subscribe for 717,818 Equity Shares at a price of ₹ 766.21 per share in two tranches and an amount of ₹ 150,000,000 to subscribe for (i) 25,000 Series-I optionally convertible cumulative redeemable preference shares ("OCCRPS Series-I") at a price of ₹ 1,000 per OCCRPS (ii) 75,000 Series-II optionally convertible cumulative redeemable preference shares ("OCCRPS Series-II") at a price of ₹ 1,000 per OCCRPS, (iii) 12,500 Series III optionally convertible cumulative redeemable preference shares ("OCCRPS Series III") at a price of ₹ 1,000 per OCCRPS and (iv) 37,500 Series IV optionally convertible cumulative redeemable preference shares ("OCCRPS Series IV" at a price of ₹ 1,000 per OCCRPS). Pursuant to the IL&FS SSA, IL&FS subscribed to 25,000 OOCRPS-Series I and 75,000 OCCRPS Series II and 476,370 Equity Shares. Subsequently, on May 31, 2013, IL&FS redeemed 20,728 OCCRPS Series I and on March 27, 2014, they converted 4,272 OCCRPS Series I and 75,000 OCCRPS Series II to 103,460 Equity Shares.

7. Shareholders' Agreement dated September 28, 2011 amongst IL&FS Financial Services Limited, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company.

Pursuant to the signing of IL&FS SSA, IL&FS, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company entered into the Shareholders Agreement dated September 28, 2011 ("**IL&FS SHA**"). Pursuant to the shareholders' agreement, IL&FS has certain customary rights available to private equity investors including but not limited to:

- right to nominate a director on the Board
- affirmative voting rights in relation to matters proposed to be passed at the meetings of the Board (including committees thereof) or meetings of shareholders, including: (i) if our Company issues Equity Shares or preference shares on preferential basis or any warrants, convertible securities, loan instruments or other financial instruments or securities; (ii) sale of the undertaking or substantial undertaking of our Company valued at over ₹ 1,000 million; (iii) acquisition of any business valued at over ₹ 1,000 million either directly through our Company or indirectly through any other firm or company.
- existing shareholders' right of first refusal over shares proposed to be transferred by IL&FS
- tag along right in the event that the Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited propose to transfer more than an aggregate of 10% of the fully diluted paid up share capital of our Company
- existing shareholders' drag along rights against the shares held by IL&FS subject to certain conditions as set out in the agreement.

Our Company, IL&FS and Chiragkumar M. Vyas have entered into an amendment agreement dated January 18, 2018 ("**IL&FS Amendment Agreement**") pursuant to which IL&FS has agreed to waive all its rights under the IL&FS SHA from the date of this Draft Red Herring Prospectus. Further, the IL&FS SHA and the IL&FS Amendment Agreement shall automatically stand terminated upon the listing of the Equity Shares on the Stock Exchanges. However, if the Equity Shares are not listed on the Stock Exchanges by December 31, 2018, the IL&FS Amendment Agreement will stand terminated and the IL&FS SHA will continue in full force.

A copy of these agreements forms a part of the 'Material Contracts and Documents for Inspection' and may be inspected in such manner as stated in the section titled "*Material Contracts and Documents for Inspection*" beginning on page 595.

Other material agreements

Other than as disclosed in this Draft Red Herring Prospectus, our Company has not entered into any material agreement, other than a contract entered into in the ordinary course of business carried on or intended to be carried on by our Company or a contract entered into more than two years before the date of this Draft Red Herring Prospectus.

Holding Company

Our Company does not have a holding company.

Strategic and financial partners

Our Company does not have any strategic or financial partnerships.

Partnership Firms

Our Company is not a partner in any partnership firm.

The amount of accumulated profit/ (losses) not accounted for by our Company

There is no accumulated profit/ (losses) not accounted for by our Company.

OUR SUBSIDIARIES

Our Company has three Subsidiaries as on the date of this Draft Red Herring Prospectus.

1. *Synergy Drilling Fluids Private Limited ("SDFPL")*

SDFPL was incorporated on July 16, 2010 as a private limited company. The registered office of SDFPL is presently located at 101, Shapath III, 1st Floor, Sarkhej-Gandhinagar Highway, Near GNFC Tower, Ahmedabad - 380 053, Gujarat, India.

SDFPL is authorized to engage in the business of (i) drilling and completion fluid activities in the oil and gas industry; (ii) specialty chemicals and all kinds of chemicals, equipment, services and establishment and operation of testing facilities relating to drilling and completion fluid activities in the oil and gas industry; (iii) drilling and completion waste management and service contracts more particularly in the oil and gas industry. However, SDFPL is currently not involved in any business.

Shareholding Pattern

The authorized capital of SDFPL is ₹ 5,000,000 divided into 500,000 equity shares having face value of ₹ 10 each. The issued, subscribed and paid up capital of SDFPL is ₹ 500,000 divided 50,000 equity shares having face value of ₹ 10 each.

The shareholding pattern of SDFPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
John Energy Limited	49,994	99.99
Maheshkumar N. Vyas *	1	Negligible
Dilipkumar N. Vyas *	1	Negligible
Chiragkumar M. Vyas*	1	Negligible
Chintan M. Vyas*	1	Negligible
Ruchit Vyas*	1	Negligible
Deepakkumar Joshi*	1	Negligible
Total	**50,000**	**100**

* *Equity shares held as nominees of our Company.*

2. *John Drilling Services Private Limited ("JDSPL")*

JDSPL was incorporated on May 11, 2011 in the state of Gujarat as a private limited company. The registered office of JDSPL is presently located at 101, Shapath III, 1st Floor, Near GNFC Tower, Sarkhej-Gandhinagar Highway, Ahmedabad - 380 053, Gujarat, India.

JDSPL is authorized to engage in the business of oil and gas exploration like drilling oil wells and other allied services and activities like hiring any equipment and tools in projects on turnkey basis. However, JDSPL is currently not involved in any business.

Shareholding Pattern

The authorised capital of JDSPL is ₹ 10,000,000 divided into 1,000,000 equity shares of face value of ₹ 10 each. The subscribed and the paid up capital of JDSPL is ₹ 500,000 divided into 50,000 equity shares of face value of ₹ 10 each**.**

The shareholding pattern of JDSPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
John Energy Limited	49,994	99.99
Maheshkumar N. Vyas *	1	Negligible
Dilipkumar N. Vyas *	1	Negligible
Chiragkumar M. Vyas*	1	Negligible
Chintan M. Vyas*	1	Negligible

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
Ruchit Vyas*	1	Negligible
Deepakkumar Joshi*	1	Negligible
Total	**50,000**	**100**

* *Equity shares held as nominees of our Company.*

3. *John Energy International DMCC ("JEID")*

JEID was registered in Dubai Multi Commodities Center on April 1, 2013 as a company with limited liability. The registered office of JEID is presently located at Unit No. 2002, JBC 2, Plot No: JLT-PH2-V1A, Jumeirah Lakes Towers, Dubai.

JEID is currently engaged in the business of oil and gas field services and trading in oilfield and natural gas equipment and spare parts.

Shareholding Pattern

The authorised, subscribed and the paid up capital of JEID is 2,00,000 AED divided into 200 shares of face value 1,000 AED.

The shareholding pattern of JEID as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
John Energy Limited	200*	100

* *The shares held by our Company in JEID, have been pledged as security towards certain loan facilities availed by JEID.*

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Information.

Other Confirmations

Our Subsidiaries have not made any public or rights issue to public in the last three years and have not become a sick company as specified under SICA and no winding up proceedings have been initiated against them.

None of our Subsidiaries are listed on any stock exchange (in India or otherwise) nor have our Subsidiaries been refused listing on any stock exchange (in India or otherwise).

Interest in our Company

None of our Subsidiaries hold any Equity Shares in our Company. Our Subsidiaries do not have any interest in our Company's business other than as stated in the sections titled "*Our Business*" and "*Financial Statements" – Restated Standalone Financial Information*" on pages 134 and 197 respectively.

Material Transactions

Other than as disclosed in the sub-sections titled "*Financial Statements - Restated Standalone Financial Information"* on page 197, there are no sales or purchase between any of the Subsidiaries and our Company where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company, for the fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months period ended September 30, 2017.

Associate Company

Our Company does not have any associate company as on the date of this Draft Red Herring Prospectus. Our Subsidiary, JEID, has sold its shareholding in our erstwhile associate company John Energy Well Services Middle East WLL on December 5, 2017.

Joint Ventures

Our Company does not have any joint ventures as on the date of this Draft Red Herring Prospectus.

Common Pursuits

Our Subsidiaries are authorised to engage in businesses similar to the business of our Company. Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

OUR MANAGEMENT

Board of Directors

Under the provisions of the Articles of Association, our Company is required to appoint not less than three Directors and not more than 12 Directors. As on the date of this Draft Red Herring Prospectus, our Company has eight Directors on its Board, of which four are non-executive independent Directors, including one woman Director, and one non-executive Director.

The following table sets forth details of the Board of Directors as of the date of this Draft Red Herring Prospectus:

Name, address, designation, occupation and term	Age (Years)	Other directorships / Limited Liability partnership
Maheshkumar N. Vyas **Designation:** Chairman and Managing Director **Address:** Sivalaya Sur No. 178, Swatantra Ashokvatika Road, Opp. Kotak House, Bodakdev, Ahmedabad – 380 054, Gujarat, India **Occupation:** Business **Nationality:** Indian **Date of first appointment:** October 9, 1987 **Term:** Three years from September 1, 2017 **DIN:** 00432810	60	*Indian Companies* 1. Synergy Drilling Fluids Private Limited 2. John Drilling Services Private Limited 3. Ahmedabad Institute of Drilling Technology 4. Meghmani Industries Limited *Foreign Companies* 1. John Energy International DMCC
Dilipkumar N. Vyas **Designation:** Whole-time Director **Address:** B-401, Shivam Klasse, B/H Trilok Rowhouse, Bodakdev, Ahmedabad- 380 054, Gujarat, India **Occupation:** Business **Nationality:** Indian **Date of first appointment:** October 9, 1987 **Term:** Three years from September 1, 2017. Liable to retire by rotation **DIN:** 00432971	54	*Indian Companies* 1. John Oil and Gas Limited 2. Synergy Drilling Fluids Private Limited 3. John Drilling Services Private Limited 4. Ahmedabad Institute of Drilling Technology
Chiragkumar M. Vyas **Designation:** Whole-time Director **Address:** Sivalaya Sur No. 178, Swatantra Ashokvatika Road, Opp. Kotak House, Bokadev, Ahmedabad – 380 054, Gujarat, India	36	-

Name, address, designation, occupation and term	Age (Years)	Other directorships / Limited Liability partnership
Occupation: Business **Nationality:** Indian **Date of first appointment:** July 1, 2004 **Term:** Three years from September 1, 2017. Liable to retire by rotation **DIN:** 00432916		
Ravi Kapoor **Designation:** Non- executive Independent director **Address:** 202, Pravesh Apartment, 10 Mahadevnagar Society, Sardar Patel Stadium Road, Ahmedabad – 380 014, Gujarat, India **Occupation:** Professional **Nationality:** Indian **Date of first appointment:** February 27, 2009 **Term:** Five years starting from April 1, 2014 till March 31, 2019 **DIN:** 00003847	54	*Indian Companies* 1. Reni Consultants Private Limited 2. Concord Biotech Limited 3. Amity Consultants Private Limited 4. Yan Advisory Services Private Limited 5. Coroney Technologies Private Limited 6. Bijapur-Hungund Tollway Private Limited 7. Maharashtra Border Check Post Network Limited *Limited liability partnerships* 1. LNR IPR Solutions LLP 2. KRV Insolvency Professionals LLP
Natwarlal M Patel **Designation:** Non-executive Independent Director **Address:** 6-B, Ashokvatika No.1, Opp. Ekta Farm, Ambli Bopal Road, Bodakdev, Ahmedabad – 380 058, Gujarat, India **Occupation:** Industrialist **Nationality:** Indian **Date of first appointment:** February 27, 2009 **Term:** Five years starting from April 1, 2014 till March 31, 2019 **DIN:** 00027540	64	*Indian Companies* 1. Meghmani Organics Limited 2. Meghmani Chemicals Limited 3. Meghmani Industries limited 4. GSEC Limited 5. Meghmani Agrochemicals Private Limited *Foreign Companies* 1. Meghmani Overseas FZE-Sharjah *Limited liability partnerships* 1. Uniworth Enterprises LLP 2. Meghmani Dyes and Intermediates LLP
Meena K Bhatt **Designation:** Non-executive Independent Director	63	*Indian Companies* 1. Meghmani Industries Limited 2. GSPC (JPDA) Limited 3. Bhavnagar Energy Company Limited

Name, address, designation, occupation and term	Age (Years)	Other directorships / Limited Liability partnership
Address: 64/1, Sector 2A, Gandhinagar – 382 002, Gujarat, India **Occupation:** Self Employed **Nationality:** Indian **Date of first appointment:** June 9, 2014 **Term:** Five years from June 9, 2014 till June 8, 2019 **DIN:** 06884949		
Rajiv A. Agarwal **Designation:** Non-executive Director **Address:** Chamaria Niwas, 3rd Floor, 41, Mahant Road,Vile Parle (East), Mumbai – 400 057, Maharashtra, India **Occupation:** Service **Nationality:** Indian **Date of first appointment:** May 8, 2008 **Term:** Liable to retire by rotation **DIN:** 00379990	46	*Indian Companies* 1. Aptech Limited 2. Concord Biotech Limited 3. Hungama Digital Media Entertainment Private Limited 4. Equirus Capital Private Limited 5. Hungama Com Private Limited 6. Cinestaan Entertainment Private Limited *Limited liability partnerships* 1. Tiger Consultancy LLP
Mahesh Sarda **Designation:** Non-executive Additional Independent Director **Address:** 102, Riddhi Siddhi Apartment, Opposite Axis Bank, Park Colony, Jamnagar District, Jamnagar, Gujarat 361 008, India **Occupation: Professional** **Nationality:** Indian **Date of first appointment:** January 22, 2018 **Term:** Five years from January 22, 2018 till January 21, 2023, subject to regularisation of appointment in the next Annual General Meeting **DIN:** 00023776	67	*Indian Companies* 1. Fine Organic Industries Limited 2. Kesarjan Building Centre Private Limited

Brief Profiles of our Directors

Maheshkumar N. Vyas, aged 60 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation. He holds a diploma in mechanical engineering from Technical

Examinations Board, Gujarat and has 30 years of experience in oil and gas industry services. He currently oversees the overall management of our Company including finance, operations and business development activities.

Dilipkumar N. Vyas, aged 54 years, is a Whole-time Director of our Company. He has been associated with our Company since incorporation. He has a Bachelor's degree in science from Gujarat University and has 30 years of experience in oil field service industry, specifically the manufacturing of rigs and associated processes including budgeting, designing, manufacturing and validating. He looks into the day to day operations of our business and is in charge of workshops, job and material management activities of the Company.

Chiragkumar M. Vyas, aged 36 years, is Whole-time Director of our Company. He has a Bachelor's degree in economics from Gujarat University and holds a diploma in financial management from Ahmedabad Management Association. He joined our Company as a Director in 2004 and he has more than 13 years of experience of handling matters related to our Company's corporate and administrative affairs. He currently handles matters related to our Company's corporate and administrative affairs.

Ravi Kapoor, aged 54 years, is an independent Director of our Company. He has a Bachelor's degree and Master's degree in commerce and Bachelor's degree in law from Gujarat University. He holds a post graduate diploma in intellectual property rights law from National Law School of India University, Bangalore. He is an associate member of the All India Management Association and of the Indian Institute of Bankers. He is currently acting as insolvency professional with the Insolvency and Bankruptcy Board of India. He is a company secretary by qualification having 25 years of professional experience in legal, secretarial and finance matters.

Natwarlal M Patel, aged 64 years, is an independent Director of our Company. He has a Master's degree in organic chemistry from Sardar Patel University. He has more than 18 years of experience in the dyes and pigments industry and more than 23 years of experience in the agrochemicals industry.

Meena K Bhatt, aged 63 years, is an independent Director of our Company. She holds a Bachelor's degree in science and a Bachelor's degree in law from Gujarat University. She also holds a Master's degree in organic chemistry from Gujarat University. She has over 35 years of experience in the service of State Government of Gujarat. She has in the past worked in senior positions with the State Government of Gujarat.

Rajiv A. Agarwal, aged 46 years, is a non-executive Director of our Company. He holds a Bachelor's degree in chemical engineering from Banaras Hindu University. He has more than 11 years of work experience in diverse sectors including health care delivery, entertainment, financial markets and oil and gas, and has been associated with RARE Enterprises since January 1, 2016.

Mahesh Sarda, aged 67 years, is an additional independent Director of our Company. He has a Bachelor's degree in commerce from University of Bombayand Bachelor's degree in law from Saurashtra University. He is a fellow member of the Institute of Chartered Accountants of India and a member of the Institute of Company Secretary of India. He has 44 years of experience in field of chartered accountancy.

Confirmation

None of our Directors is or was a director of any listed company on the BSE or NSE, whose shares have been or were suspended from being traded, during the last five years prior to the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

None of our Directors have been or was identified as a wilful defaulter as defined under the SEBI ICDR Regulations.

Neither our Company nor any of our Directors have committed any violation of securities laws in the past and no such proceedings (initiated by the SEBI or otherwise) are pending against our Company or our Directors.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Relationship between Directors

Except Maheshkumar N. Vyas and Dilipkumar N. Vyas who are brothers and Chiragkumar M. Vyas who is the son of Maheshkumar N. Vyas, none of the Directors are related to each other.

Appointment of relatives of our Directors to any office or place of profit

Except for as mentioned in this section, none of the relatives of our Directors hold any office of profit in our Company.

Sr. No	Name of the relative	Designation	Date of appointment	Remuneration (₹ per month)	Relationship
1.	Raj D. Vyas	Executive (Finance and Accounts)	June 1, 2013	₹ 40,000	Son of Dilipkumar N. Vyas
2.	Ruchit D. Vyas	Manager of business development	July 19, 2016	₹ 1,00,000	Son of Dilipkumar N. Vyas

Terms of Appointment of Chairman and Managing Director and Whole-time Directors

Maheshkumar N. Vyas

Maheshkumar N. Vyas was reappointed as a Chairman and Managing Director with effect from September 1, 2017 pursuant to Shareholders resolution dated September 29, 2017 for a term of three years. The significant terms of his remuneration and employment include the following:

Particulars	Remuneration
Remuneration	4% of net profit subject to minimum of ₹ 1.20 million per month
Perquisites	Provision of car for use on Company's business with driver and petrol

Dilipkumar N. Vyas

Dilipkumar N. Vyas was reappointed as Whole-time Director with effect from September 1, 2017 pursuant to Shareholders resolution dated September 29, 2017 for a term of three years. The significant terms of his remuneration and employment include the following:

Particulars	Remuneration
Salary	₹ 1.10 million per month
Perquisites	Provision of car for use on Company's business with driver and petrol

Chiragkumar M. Vyas

Chiragkumar M. Vyas was reappointed as Whole-time Director with effect from September 1, 2017 pursuant to Shareholders resolution dated September 29, 2017, for a term of three years. The significant terms of his remuneration and employment include the following:

Particulars	Remuneration
Salary	₹ 0.20 million per month
Perquisites	Provision of car for use on Company's business with driver and petrol

Payment or Benefit to Directors/Officers of our Company

The remuneration paid to our Directors for Fiscal 2017 is as follows:

1. Remuneration to Managing and Whole-time Directors

Sr. No.	Name of Directors	Amount (in ₹ million)
1.	Maheshkumar N. Vyas	34.63
2.	Dilipkumar N. Vyas	12.00
3.	Chiragkumar M. Vyas	2.10

Sr. No.	Name of Directors	Amount (in ₹ million)
	Total	**48.73**

2. Remuneration to Non-Executive Directors

Our Company pays a sitting fee of ₹ 25,000 to its Directors for attending each meeting of the Board. Except for sitting fees paid as detailed below, no other payments have been made to our non-executive Directors in Fiscal 2017.

Sr. No.	Name of Directors	Amount (in ₹ million)
1.	Ravi Kapoor	0.12
2.	Natwarlal M Patel	0.08
3.	Meena K Bhatt	0.09
4.	Rajiv A. Agarwal	0.03
5.	Asesh Jyoti Dutta*	0.02
6.	Mahesh Sarda**	-
7.	Chaman Kumar*	0.00
	Total	**0.34**

**Asesh Jyoti Dutta resigned from the Board on January 22, 2018. Chaman Kumar resigned from the Board on April 11, 2016.*
*** Mahesh Sarda have been appointed as additional independent Director with effect from January 22, 2018*.

3. Remuneration paid by the Subsidiaries

None of our Directors have received remuneration or are entitled to receive remuneration from our Subsidiaries in Fiscal 2017.

4. Remuneration paid by the Associate company

None of our Directors have received remuneration from our Associate Company in Fiscal 2017.

Bonus or profit sharing plan for our Directors

Except as disclosed in "*Our Management- Terms of Appointment of Chairman and Managing Director and Whole-time Directors*" on page 175, we have no bonus or profit sharing plan for our Directors.

Borrowing powers of the Board

Pursuant to our Articles, the applicable provisions of the Companies Act, 2013 and Shareholders resolution dated September 26, 2014, our Board has been authorised to borrow any sum or sums of monies, on such terms and conditions as the Board may deem fit, notwithstanding that, the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed in the aggregate, for the time being, the paid-up capital of the Company and its free reserves, the total amount up to which the monies may be borrowed under section 180(1)(c) of the Companies Act, 2013, shall not at any point exceed ₹ 10,000 million, excluding interest thereon.

Shareholding of Directors in our Company

Except as stated below, none of our Directors hold any Equity Shares in our Company:

Name of Director	No. of Equity Shares	pre-Offer shareholding in %
Maheshkumar N. Vyas	3,848,485	20.95
Dilipkumar N. Vyas	1,180,355	6.43
Chiragkumar M. Vyas	1,041,960	5.67
Rajiv A. Agarwal	19,070	0.10
Natwarlal M Patel	13,915	0.08

Our Articles of Association do not require our Directors to hold any qualification Equity Shares.

Shareholding of our Directors in our Subsidiaries

As on date of this Draft Red Herring Prospectus, the following Directors are shareholders in our Subsidiaries:

Name of Director	No. of equity shares held in Synergy Drilling Fluids Private Limited*	No. of equity shares held in John Drilling Services Private Limited*
Maheshkumar N. Vyas	1	1
Dilipkumar N. Vyas	1	1
Chiragkumar M. Vyas	1	1

**The shareholding of the Directors in our Subsidiaries is in the capacity of a nominees of our Company in the said Subsidiaries.*

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

Interests of Directors

All of our Directors, including independent Directors, may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof, remuneration, reimbursement of expenses payable to them and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Except for our Promoters, Maheshkumar N. Vyas and Dilipkumar N. Vyas, none of our Directors are interested in the promotion of our Company.

Our Directors, including independent Directors, may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. The Directors, including independent Directors, may also be regarded as interested in Equity Shares held by or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, partners and trustees. For the shareholding of the Directors, please see the sub-section titled "*Shareholding of Directors in our Company*" on page 176.

Arrangements and Understanding with Major Shareholders

Except Rajiv A. Agarwal, who is appointed pursuant to the shareholders agreement with Rakesh Radheshyam Jhunjhunwala, none of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others. For details regarding the shareholders agreement, please see "*History and Corporate Structure – Summary of Key Agreements*" on page 164.

Interest in Property

Our Directors have no interest in any property acquired by or proposed to be acquired by our Company two years prior to the date of this Draft Red Herring Prospectus and are not interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery. None of our Directors have any interest in acquisition of land, construction of building and supply of machinery undertaken by our Company.

Service Contracts with Directors

Except in respect of statutory benefits upon termination of their employment in our Company or on retirement, no Directors have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in our Board of Directors during the last three years

Name	Date of appointment/ cessation	Reason
Mahesh Sarda	January 22, 2018	Appointment as Non-Executive Additional Independent Director
Asesh Jyoti Dutta	January 22, 2018	Resignation due to personal reasons
Maheshkumar N. Vyas	September 1, 2017	Change in designation from Managing Director to Chairman and Managing Director
Chaman Kumar	April 11, 2016	Resignation due to personal reasons

Name	Date of appointment/ cessation	Reason
Deepak Amrutlal Joshi	June 9, 2014	Resignation due to personal reasons
Manish Mohanlal Kanchan	June 9, 2014	Resignation due to non-availability in India owing to his commitments overseas
Chaman Kumar	June 9, 2014	Appointment as Non-Executive Independent Director
Meena K Bhatt	June 9, 2014	Appointment as Non-Executive Independent Director

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares of our Company with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance, in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof.

The corporate governance framework is based on an effective, independent Board, separation of the supervisory role of the Board from the executive management aspect and constitution of the Board and committees thereof, as required under law. The Board functions either on its own or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

As on the date of this Draft Red Herring Prospectus, our Board of Directors comprises of eight Directors, of which four are non-executive independent Directors, including one woman Director and one non-executive Director.

Committees of the Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

Audit Committee

The Audit committee was constituted by our Board by resolution dated April 16, 2001 and was last re-constituted by a resolution of our Board dated January 22, 2018. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Ravi Kapoor	Chairman	Non-executive Independent Director
Maheshkumar N. Vyas	Member	Chairman and Managing Director
Meena K Bhatt	Member	Non-executive Independent Director
Mahesh Sarda	Member	Non-executive Additional Independent Director

Our Company Secretary and Compliance Officer is the secretary of the Audit committee.

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference include the following:

1. Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Reviewing and recommending for approval to the Board:
   a) Business plan
   b) Corporate annual budget and revised estimates;

3. Recommending to the Board the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the cost auditor and statutory auditors and the fixation of audit fees and remuneration;

4. Approval of payment to statutory, internal and cost auditors for any other services rendered by them, as applicable;

5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to:

   a) Matters required in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013;
   b) Changes, if any, in accounting policies and practices and reasons for the same;
   c) Major accounting entries involving estimates based on the exercise of judgment by management;
   d) Significant adjustments made in the financial statements arising out of audit findings;
   e) Compliance with listing and other legal requirements relating to financial statements;
   f) Disclosure of any related party transactions;
   g) Modified opinion(s) in the draft audit report.
   h) Compliance with accounting standards;
   i) Contingent liabilities;
   j) Claims against the Company and their effect on the financial statements; the term "financial statement" shall have the meaning ascribed to such term under Section 2(40) of the Companies Act, 2013;

6. Reviewing, with the management:

   a) the quarterly, half-yearly and annually financial statements and such other periodical statements before submission to the Board for approval;
   b) the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.); and
   c) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in the matter;

7. Reviewing and monitoring the auditor's independence and performance along-with the effectiveness of audit process;

8. Examination of the financial statement and the auditor's report thereon;

9. Approval or any subsequent modification of transactions of the company with related parties, provided that the audit committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

10. Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

11. Scrutinizing
    a) the need for omnibus approval and ensuring that such approval is in the interest of the Company;
    b) inter-corporate loans and investments.

12. Valuation of undertakings or assets of the company, wherever it is necessary;

13. Evaluation of internal financial controls and risk management systems;

14. Reviewing with the management- performance of statutoryand internal auditors and also the adequacy of the internal control systems;

15. 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;

16. Discussion with internal auditors of any significant findings and follow up there on;

17. 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;

18. Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. Scrutinizing the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the internal auditor;

21. Approval of appointment of CFO (or the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

22. Reviewing the functioning of the whistle blower mechanism;

23. Making recommendations to the Board in relation to the establishment of a vigil mechanism;

24. Monitoring of a vigil mechanism for enabling adequate safeguards and protection of interest of the director(s) or employees or any other person who may avail the mechanism and to provide for direct access to the chairperson of the Audit Committee in exceptional cases where deemed necessary;

25. Discretion to invite the finance director or head of the finance functions, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee: Provided that occasionally the audit committee may meet without the presence of any executives of the listed entity;

26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as per the Companies Act, 2013, Rules framed there under, the SEBI ICDR Regulations, the SEBI Listing Regulations and other applicable rules and regulations.

The Audit Committee is required to meet at least four times in a year under the SEBI Listing Regulations.

The powers of the Audit Committee will include the following:

1. To investigate any activity within its terms of reference;

2. To seek information from any employee;

3. To select and appoint professional advisors and obtain advice from external sources including for forensic or other investigations, if necessary;

4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and

5. To have full access to the information contained in the records of the Company

The Audit Committee shall mandatorily review the following information:

1. Managements' discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. Details of all material transactions with related parties to be disclosed every quarter along with the compliance report on corporate governance;

4. On a quarterly basis, the details of related party transactions entered into by the Company pursuant to each omnibus approval given;

5. Whether the policy dealing with related party transactions is placed on the website of the Company;

6. Management letters/ letters of internal control weaknesses issued by the statutory auditors;

7. Internal audit reports relating to internal control weakness;

8. The appointment, removal and terms of remuneration of the chief internal auditor;

9. Statement of deviations:

    a) quarterly statements of deviation(s) including report of monitory agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
    b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulations 32(7) of the SEBI Listing Regulations."

Nomination and Remuneration Committee

The Nomination and Remuneration committee was constituted by a resolution of our Board dated January 16, 2009 and was last re-constituted by the resolution of the Board dated June 9, 2014. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Natwarlal M Patel	Chairman	Non-executive Independent Director
Rajiv A. Agarwal	Member	Non-executive Director
Meena K Bhatt	Member	Non-executive Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Reviewing the terms and conditions of services including remuneration in respect of technical director and managing director and submitting their recommendations to the Board;

3. Formulation of criteria for evaluation of independent directors and the Board;

4. Devising a policy on Board diversity;

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board, their appointment and removal and shall carry out evaluation of every director's performance;

6. Determination of extension or continuation of the term of appointment of the independent directors on the basis of the report of performance evaluation of independent directors;

7. Evaluating the current composition, organization and governance of the Board and its committees as well as determining future requirements and making recommendations to the Board for approval;

8. Determining on an annual basis, desired qualifications along with the expertise, characteristics and conduct searches for potential Board members with corresponding attributes. Thereafter, evaluation and proposal of nominees for election to the Board. In performing these tasks, the committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates;

9. Evaluation and recommendation of termination of membership of individual directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

10. Making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel at such level(s);

11. Reviewing, amending, modifying and approving all other human resources related policies of our Company from time to time;

12. Reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;

13. Reviewing and recommending to the Board, matters relating to revision of compensation/salary and longterm wage settlements;

14. Determination of compensation levels payable to the senior management personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;

15. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

16. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

17. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

18. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
    b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

19. Consideration and approval of employee stock option schemes and to administer and supervise the same;

20. Decision on matters such as quantum of and milestones for grant, eligibility of employees who shall be entitled to grant of options, vesting period and conditions thereof, termination policies etc;

21. Reviewing, with the management, all human resource related issues from time to time so as to maintain harmonious employer-employee relations;

22. Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

23. Authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;

24. Ensuring proper induction program for new directors, KMP and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;

25. Developing a succession plan for our Board and senior management and regularly reviewing the plan;

26. Consideration and determination of the nomination and remuneration policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;

27. Ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company; and

28. Performing such other activities as may be delegated by the Board and / or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated June 9, 2014. The current constitution of the Stakeholders' Relationship committee is as follows:

Name of Director	Position in the Committee	Designation
Ravi Kapoor	Chairman	Non-executive Independent Director
Dilipkumar N. Vyas	Member	Whole-time Director
Chiragkumar M. Vyas	Member	Whole-time Director

This Committee is responsible for the redressal of shareholders' and investors' grievances including but not limited to transfer of shares, non-receipt of annual report and non-receipt of dividend. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

1. Collecting and analyzing reports received periodically from the Registrar and the Share Transfer Agent ("**RTA**") on the following:

    a) Complaints regarding non-receipt of the shares, debentures, deposit receipt, declared dividend or interest;
    b) Requests regarding non-receipt of the notice of the AGM, balance sheet and profit and loss account statement;
    c) Complaints of investors routed by the SEBI or Stock Exchanges and others;
    d) Transfer, sub-division, consolidation, split, exchange, endorsement, transmission of share certificates and transposition of share certificates;
    e) Issue of share certificates, debenture certificates, duplicate share or debenture certificates in lieu of lost/ torn/ mutilated/ defaced certificates;
    f) Requests relating to de-materialization and re-materialization of shares;
    g) Requests relating to modes of paying the dividend i.e. through electronic clearing service, RTGS and issue of dividend warrant for dividend payment/ interest etc.; and
    h) Complaints related to allotment of shares, transfer or transmission of shares, debentures or any other securities, non-receipt of annual report and non-receipt of declared dividends or any other document or information to be sent by our Company to its shareholders.

2. To redress other grievances of shareholders, debenture holders and other security holders;

3. Scrutinizing other matters related to or arising out of shareholders/ investors services including preparation and approval of periodical reports

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated March 27, 2014 and was last re-constituted pursuant to a resolution of our Board dated August 27, 2014. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Dilipkumar N. Vyas	Chairman	Whole-time Director
Maheshkumar N. Vyas	Member	Chairman and Managing Director
Rajiv A. Agarwal	Member	Non-executive Director
Ravi Kapoor	Member	Non-executive Independent Director

The terms of reference of the Corporate Social Responsibility Committee of our Company is in accordance with Section 135 of the Companies Act, 2013.The terms of reference of the Corporate Social Responsibility Committee are as follows:

1. Formulation and recommendation to the Board, a corporate social responsibility policy and subsequent amendments as required from time to time;

2. Ensuring that the corporate social responsibility policy shall include/ indicate the activities to be undertaken by the companies as specified in Schedule VII of the Companies Act, 2013 and the rules made there under, from time to time excluding the activities undertaken in pursuance of its normal course of business;

3. Monitoring the corporate social responsibility policy by instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company from time to time;

4. Recommendation of the annual budget for the corporate social responsibility activities of our Company in compliance with the relevant statutory provisions;

5. Assistance to our Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;

6. Providing explanation to the Board if our Company fails to spend the prescribed amount within the financial year;

7. Providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;
8. Regulation of its own proceedings subject to the terms of reference;

9. Reviewing and recommending the corporate social responsibility plan for the ensuing Fiscal to our Board;

10. Approval of any project that may come during the year and which is not covered in the corporate social responsibility plan up to such amount as may be prescribed by our Board from time to time; and

11. Performance of such other functions as the Corporate Social Responsibility Committee may deem appropriate after the approval of the Board, or as may be directed by the Board from time to time.

IPO Committee

The IPO Committee was constituted by a resolution of our Board dated January 22, 2018. The current constitution of the IPO Committee is as follows:

Name of Director	Position in the Committee	Designation
Maheshkumar N. Vyas	Member	Chairman and Managing Director
Rajiv A. Agarwal	Member	Non-executive Director
Ravi Kapoor	Member	Non-executive Independent Director

The terms of reference for the IPO Committee are as follows:

1. To appoint and enter into arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, registrars to the Offer, refund banks to the Offer, legal advisors and any other agencies or persons or intermediaries to the Offer and to negotiate and finalize the terms of their appointment, including but not limited to execution of the BRLMs' mandate letter, negotiation, finalization and execution of the offer agreement with the BRLMs and the underwriting agreement with the underwriters;

2. To undertake as appropriate such communication with the selling shareholders as required under applicable law, including inviting the existing members of the Company to participate in the Offer by making an offer for sale in relation to such number of Equity Shares held by them as may be deemed appropriate, and which are eligible for offer for sale in accordance with the SEBI ICDR Regulations, and to take all actions as may be necessary or authorized in connection with the Offer for Sale;

3. Taking on record the approval of the Offer for Sale by the selling shareholders;

4. To seek, if required, any approval, consent or waiver from the Company's lenders, and/or other third 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 in the Offer;

5. To decide on the actual size (including, without limitation, any reservation for employees of the Company, employees or members of promoting companies/ group companies and/or any other reservations or firm allotments as may be permitted), timing, pricing (including the discount for any reserved category) and all the terms and conditions of issue of the Equity Shares pursuant to the Offer, including the price, and to accept any amendments, modifications, variations or alterations thereto;

6. To finalize, settle, approve and adopt the draft red herring prospectus, the red herring prospectus, the prospectus and the preliminary and final international wrap for the Offer together with any addenda, corrigenda or supplement thereto and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/ modifications as may be required by and to submit undertaking / certificates or provide clarifications to SEBI, Stock Exchanges or any other relevant governmental and statutory authorities;

7. To finalize, settle and to execute and deliver or arrange the delivery of the registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments with the registrar to the Offer, legal advisors, auditors, Stock Exchanges, BRLMs and any other agencies / intermediaries as may be required or desirable in relation to the Offer (including amending, varying or modifying the same, as may be considered desirable or expedient), with the power to authorize one or more officers of our Company to negotiate, execute and deliver all or any of the aforementioned documents;

8. To do all such acts, deeds and things as may be required to dematerialize the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection with the power to authorize one or more officers of our Company to execute all or any of the aforementioned documents;

9. To make applications to, seek clarifications, obtain approvals and seek exemptions from, if necessary, the FIPB, the SEBI, the RBI, the RoC or any other statutory and governmental authorities in connection with the Offer, and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;

10. To make applications for listing of the Equity Shares on the Stock Exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchange(s), and to take all such other actions as may be necessary in connection with obtaining such listing;

11. To make arrangement for the submission of the draft red herring prospectus to the SEBI and the Stock Exchange(s) for receiving comments, the red herring prospectus and the prospectus to the RoC, and any corrigendum, amendments or supplements thereto;

12. To decide, negotiate and finalize the Pre-IPO Placement of the Equity Shares by the Company or engage in discussions with investors in relation to a Pre-IPO Placement;

13. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013 and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

14. To open and operate bank account(s) of the Company in terms of the cash escrow agreement for handling of refunds for the Offer and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

15. To determine and finalize the floor price/price band for the Offer, approve the basis for allocation and confirm allocation of the Equity Shares to various categories of persons (including Anchor Investors) 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 Offer;

16. 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 the purpose of the Offer, including without limitation,

finalize the basis of allocation and to allot the Equity Shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

17. To allot the Equity Shares, and other matters in connection with or incidental to the Offer, including determining the anchor investor (as defined in the ICDR Regulations, hereinafter referred to as the "Anchor Investor") portion and allocate such number of Equity Shares to Anchor Investors, in accordance with the ICDR Regulations and to constitute such other committees of the Board, as may be required under the applicable laws, including the listing agreement(s) to be entered into by the Company with the Stock Exchanges;

18. To issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the Equity Shares with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on the Stock Exchange(s), with power to authorize one or more officers of the company to sign all or any of the aforementioned documents;

19. To settle all questions, difficulties or doubts that may arise in relation to such issues or allotment as it may deem fit;

20. To authorize and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the Offer;

21. To accept and appropriate the proceeds of the Offer;

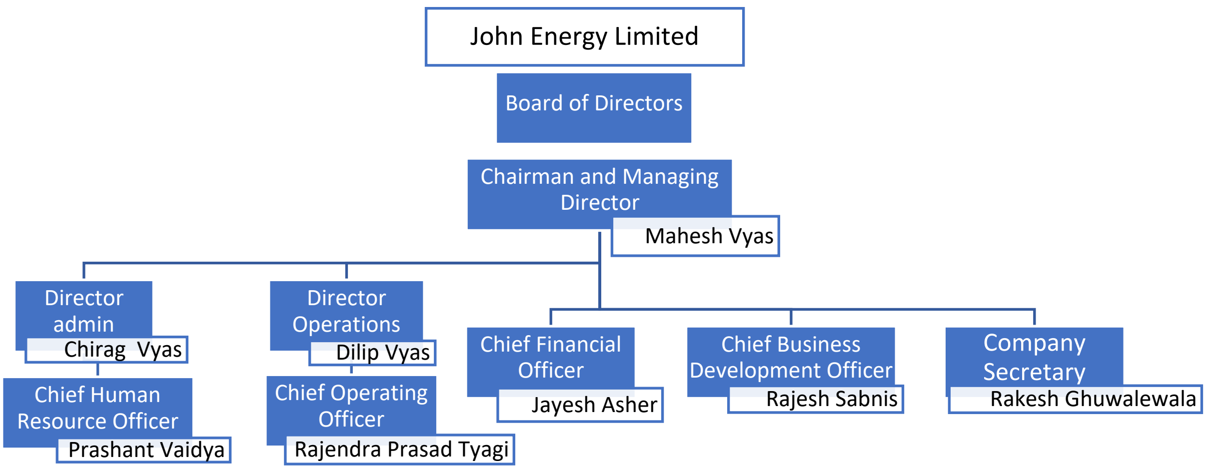
22. To approve code of conduct as may be considered necessary by the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

23. To authorize any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;

24. To affix the common seal of the Company on such documents in this connection as may be required in accordance with the provisions of the Articles of Association of the Company; and

25. To delegate any of the powers mentioned above to any of the Directors or officers of the Company, subject to the provisions of the Companies Act, 2013.

Management Organisation Structure



Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, our Company has eight Key Managerial Personnel including our Directors, Maheshkumar N. Vyas, Dilipkumar N. Vyas and Chiragkumar M. Vyas. Provided below are brief profiles of our Key Managerial Personnel:

Maheshkumar N. Vyas, is the Chairman and Managing Director of our Company. For further details, please refer to the sub-section titled "*Our Management – Brief Profile of our* Directors" on page 173**.**

Dilipkumar N. Vyas, is the Whole-time Director of our Company. For further details, please refer to the sub-section titled "*Our Management – Brief Profile of our* Directors" on page 174.

Chiragkumar M. Vyas, is the Whole-time Director of our Company. For further details, please refer to the sub-section titled "*Our Management – Brief Profile of our* Directors" on page 174.

Jayesh Asher, aged 52 years, is the Chief Financial Officer of our Company. He holds a Bachelor's degree in commerce from Mumbai University. He has over 20 years of experience in finance, audit and management functions. He is responsible for finance and accounts, financial planning, budget, finalization of annual accounts and liaising with lenders to our Company. He joined our Company with effect from June 28, 2010. Prior to joining our Company, he has worked with Punj Lloyd Upstream Limited and Dewanchand Ramsaran Industries Private Limited. His gross remuneration for the Fiscal 2017 was ₹ 5.66 million.

Rakesh Ghuwalewala, aged 44 years, is the Company Secretary and Compliance officer of our Company. He holds a Bachelor's degree in commerce and Bachelor's degree in law from Gujarat University. He is an associate member of the Institute of Company Secretaries of India, New Delhi. He has over nine years of experience with secretarial matters. He joined our company with effect from May 05, 2008. He is responsible for secretarial compliance of the Company. His gross remuneration for the Fiscal 2017 was ₹ 1.69 million.

R P Tyagi, aged 57 years, is the Chief Operating Officer of our Company. He holds a diploma in mechanical engineering from Madhya Pradesh Board of Technical Education. He has over 33 years of experience in operations of drilling and workover of oil and gas wells. He has joined our Company with effect from June 1, 2006 as General Manager (Operations) and since September 1, 2012 he has been holding the position of Chief Operating Officer of our Company. He is responsible for designing and implementation of business plans, procedures, setting of comprehensive goals for performance and growth of team. He oversees daily operations of the Company and he also manages relationships with partners/clients. Prior to joining our Company, he has worked with Triveni Engineering and Industries Limited, Dewanchand Ramsaran Industries Private Limited, Mahindra and Mahindra Limited, Essar Energy Limited, Triveni Pool Intairdrill Limited and Oil India Limited. His gross remuneration for Fiscal 2017 was ₹ 8.98 million.

Rajesh Sabnis, aged 51 years, is the Chief Business Development Officer of our Company. He holds a Bachelor's degree in civil engineering from Amravati University, Maharashtra. He has over 26 years of experience in upstream and downstream in oil and gas industry. He joined our Company with effect from January 8, 2012 as consultant, he was promoted to Senior Vice President, Business Development on May 1, 2015 and since November 1, 2017 he has been holding the position of Chief Business Development Officer of our Company. He is responsible for elaborate business development plans, design and implementation strategies to support business growth through customer and market definition. He oversees the marketing strategy and drives prospects through contract award, including, identifying new customers and markets, developing approaches to the market etc. Prior to joining our Company, he has worked with Reliance Industries Limited, Davy Powergas India Limited, UB Engineering Limited, Finolex Pipes Limited and Sai Shree Construction Company. His gross remuneration for Fiscal 2017 was ₹ 6.79 million.

Prashant Vaidya, aged 46 years, is the Chief Human Resource Officer of our Company. He holds a Bachelor's degree in science from P T Sarvajanik College of Science, Surat and a Master's degree in labour welfare from South Gujarat University, Surat. He has over 22 years of experience in human resource management. He joined our Company on November 15, 2010 as Vice President Human Resource and since July 1, 2014 he has been holding the position of Chief Human Resource Officer in our Company. He is responsible for talent acquisition, performance management system, salary and wages administration and training and development. Prior to joining our Company, he has worked with Videocon Narmada Glass, Torrent Power Limited, Pipavav Shipyard Limited and Gujarat Telelink Private Limited. His gross remuneration for Fiscal 2017 was ₹ 3.24 million.

All the Key Managerial Personnel are permanent employees of our Company. The Key Managerial Personnel disclosed above also include the key managerial personnel as defined under the Companies Act, 2013.

Relationship between Key Managerial Personnel

Except Maheshkumar N. Vyas and. Dilipkumar N. Vyas who are brothers and Chiragkumar M. Vyas who is the son of Maheshkumar N. Vyas, none of the Key Managerial Personnel are related to each other.

Service Contracts with Key Managerial Personnel

None of the Key Management Personnel have entered into service contracts with our Company or the Subsidiaries providing for benefits or payments upon termination of employment.

Contingent and deferred compensation payable to Key Managerial Personnel

There are no contingent or deferred compensation payable to Key Managerial Personnel, which does not form part of their remuneration.

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Managerial Personnel

Except for Maheskumar N. Vyas, Dilipkumar N. Vyas and Chiragkumar M. Vyas, none of our Key Managerial Personnel have any shareholding in our Company as on the date of this Draft Red Herring Prospectus. For the shareholding of the above mentioned Key Managerial Personnel, please see the sub-section titled "*Shareholding of Directors in our Company*" on page 176.

Bonus or profit sharing plan of the Key Managerial Personnel

Except as disclosed in "*Our Management- Terms of Appointment of Chairman and Managing Director and Whole-time Directors*" on page 175, our Company does not have a performance linked bonus or a profit sharing plan for any of the Key Managerial Personnel.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service. The Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them, if any.

Changes in the Key Managerial Personnel in the last three years

Name	Designation	Date of Change	Reason
Rajesh Sabnis	Chief Business Development Officer	November 1, 2017	Promotion
Rajesh Sabnis	Senior Vice President- Business Development	May 1, 2015	Promotion
Prashant Vaidya	Chief Human Resource Officer	July 1, 2014	Promotion

Employee Stock Option Plan / Employee Stock Purchase Scheme

Our Company does not have any employee stock option plans as on the date of this Draft Red Herring Prospectus.

Loans taken by Directors / Key Managerial Personnel

Except for our Chief Financial Officer, Jayesh Asher, having an outstanding loan of ₹ 0.85 million from our Company as on September 30, 2017, no other Director or Key Managerial Personnel has availed any loan from our Company.

Payment or Benefit to officers of our Company (non-salary related)

Except as disclosed in this section, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of the Company, including our Directors and Key Managerial Personnel.

OUR PROMOTERS, PROMOTER GROUP AND GROUP COMPANIES

Our Promoters

The following are our Promoters:

1. Maheshkumar N. Vyas;
2. Dilipkumar N. Vyas; and
3. John Oil and Gas Limited.

For details of the build-up of our Promoters' shareholding in our Company, please refer to the chapter "*Capital Structure – Notes to Capital Structure*" on page 83.

Details of our Individual Promoters

1. Maheshkumar N. Vyas

Maheshkumar N. Vyas, aged 60 years, is the Chairman and Managing Director of our Company.

His voter's identification number is ZCU1992577. His driving license number is GJ02 20070046070.

For the complete profile of Maheshkumar N. Vyas along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements, other ventures and business and financial activities, see the section titled "*Our Management*" on page 173.

2. Dilipkumar N. Vyas

Dilipkumar N. Vyas, aged 54 years, is a Wholetime Director in our Company.

His voter's identification number is UHH2264828. His driving license number is GJ02 19940014261.

For the complete profile of Dilipkumar N. Vyas along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements, other ventures and business and financial activities, see the section titled "*Our Management*" on page 174.

Our Company confirms that the PAN, bank account number and passport number of our Individual Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with the Stock Exchanges.

Details of our Corporate Promoter

John Oil and Gas Limited ("JOGL")

JOGL was originally incorporated under the Companies Act, 1956 on November 1, 1994, as 'John Oil and Gas Limited'. The certificate for commencement of business was issued on December 2, 1994. Since incorporation company has not changed its name. The registered office of JOGL is situated at 220, GIDC Estate, Highway, Mehsana - 384 002, Gujarat.

JOGL is engaged in the business of oil and gas exploration and providing other services in oil and gas exploration sector**.** However, the company at present has no business activity.

Promoters

Maheshkumar N. Vyas and Dilipkumar N. Vyas are the promoters of JOGL.

Change in control or management

There has been no change in the control or management of JOGL in the three years immediately preceding the filing of this Draft Red Herring Prospectus.

Shareholding Pattern

The shareholding pattern of JOGL as on the date of this Draft Red Herring Prospectus is as follows:

(a) Shareholding of the equity share capital of JOGL:

Name of the shareholder	Number of equity shares	Percentage of Shareholding (%)
Maheshkumar N. Vyas	658,145	44.71
Dilipkumar N. Vyas	226,700	15.40
Bhartben G. Panchal	37,895	2.57
Abhaben D. Vyas	100	0.01
Natvarlal S. Vyas	11,760	0.80
Chiragkumar M. Vyas	70,300	4.78
Chintankumar M. Vyas	52,000	3.53
Absolute International Holdings Limited	21,721	1.48
Everest Logistic LLP	316,000	21.47
Raj D. Vyas	41,600	2.83
Ruchit D. Vyas	35,700	2.43
Total	**1,471,921**	**100.00**

(b) Shareholding of the preference share capital of JOGL:

Name of the shareholder	Number of preference shares	Percentage of Shareholding (%)
PCS Oilfield Supplies	199,390	48.04
Eagle Oilfield Equipment INC	215,687	51.96
Total	**415,077**	**100.00**

Board of Directors

The board of directors of JOGL comprises of Dilipkumar N Vyas, Deepak Amrutlal Joshi and Bhartiben G Panchal.

Financial Information

Set forth below are the financial results of JOGL for Fiscals 2017, 2016 and 2015, as derived from their audited financial statements.

(₹ in million, except for share data)

	Financial Year 2016-17	Financial Year 2015-16	Financial Year 2014-15
Equity capital	56.23	56.23	56.23
Reserves and surplus (excluding revaluation reserve if any)	131.20	114.40	97.82
Total Income	20.71	18.62	21.21
Profit/(Loss) after tax	16.80	16.58	15.97
Earnings per share (Basic)	11.41	11.27	10.85
Earnings per share (Diluted)	11.41	11.27	10.85
Net asset value per share	127.34	115.92	104.66

We confirm that the PAN, bank account numbers, and company registration number of JOGL, and the address of the registrar of companies where JOGL is registered will be submitted to the Stock Exchanges at the time of submission of this Draft Red Herring Prospectus with them.

Interests of our Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding, held directly and indirectly, and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them. For details on shareholding of our Promoters in our Company, see "*Capital Structure*" on page 86.

Further, our Individual Promoters who are also our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them. For further details please see the section titled "*Our Management*" on page 177.

Our Promoters do not have any interest in any venture that are involved in any activities similar to those conducted by our Company.

Our Promoters are not interested as a member of a firm or company and no sum has been paid or agreed to be paid to our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise, for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Interest of the Promoters in the property of our Company

Except as disclosed below, our Promoters have no direct or indirect interest in any property acquired in the two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company within the two years from the date of filing of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

1. Our Company has entered into a lease deed with John Oil and Gas Limited, dated March 29, 2017 for the premises at Plot No. 225, GIDC Estate, Mehsana- 384 002. In terms of the said lease deed, our Company is required to pay rent of ₹ 0.13 million per month with effect from March 31, 2017 for a period of three years and deposit an interest free refundable deposit of ₹ 600,000 with John oil and Gas Limited.

2. Our Company has entered into a lease deed with John Oil and Gas Limited, dated March 29, 2017 for the premises at Office Nos. 106 to 110 situated on the 1st floor of the building "Shapath – 3" located in Bodakdev, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054. In terms of the said lease deed, our Company is required to pay rent of ₹ 0.45 million per month with effect from March 31, 2017 for a period of three years and deposit an interest free refundable deposit of ₹ 960,000 with John Oil and Gas Limited.

Related Party Transactions

For details of related party transactions entered into by our Company during the last five financial years with our Promoters and Subsidiaries, the nature of transactions and the cumulative value of transactions, please refer to the sub-sections titled "*Financial Statements - Restated Standalone Financial Information*" and *"Financial Statements - Restated Consolidated Financial Information*" on pages 197 and 331, respectively.

Declarations

There are no violations of securities laws committed by our Promoters or any member of our Promoter Group, in the past or are currently pending against them. Our Promoters have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority nor has he been declared as a wilful defaulter by any bank, financial institution or consortium thereof in accordance with guidelines on wilful defaulters issued by the RBI.

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authorities from accessing the capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the filing of this Draft Red Herring Prospectus against our Promoters, except as disclosed in the section titled "*Outstanding Litigation and Material Developments*" on page 513.

For details of the litigation proceedings involving our Promoters, please refer to the section titled "*Outstanding Litigation and Material Developments*" on page 513.

Our Promoters are not interested directly or indirectly in any entity which holds any intellectual property rights that are used by our Company.

There have been no sales or purchases between our Company and members of our Promoter Group where such sale or purchase exceed in value in the aggregate 10.00% of the total sales or purchases of our Company.

None of the beneficiaries of loans and advances and sundry debtors granted by our Company and Subsidiaries are related to our Promoters.

None of the companies forming part of our Promoter Group were declared sick under the SICA in the last five years.

Companies with which our Promoters have disassociated in the preceding three years

Our Promoters have not disassociated themselves from any company during the three years preceding the date of this Draft Red Herring Prospectus.

Payment or benefits to our Promoters and Promoter Group in the last two years

Except as stated in section titled "*Financial Statements*" on page 197, there have been no payment or benefits to our Promoters or members of our Promoter Group during the two years preceding the filing of the Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of the Draft Red Herring Prospectus.

Common Pursuits

While our Corporate Promoter, JOGL, has objects similar to that of our Company, it is currently not pursuing any business activities similar to that of our Company. Accordingly, as on the date of this Draft Red Herring Prospectus, there are no common pursuits among any of the entities forming part of our Promoter Group and our Company. Our Company would adopt necessary measures and practises as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Promoter Group

In addition to our Promoters named above, the following persons and companies form part of our Promoter Group.

Natural Persons

The natural persons who are part of our Promoter Group (by virtue of being immediate relatives of our Individual Promoters) are as follows:

Nature of relationship	Maheshkumar N. Vyas	Dilipkumar N. Vyas
Father	Natvarlal Shankarlal Vyas	
Mother	Late Ramaben Natvarlal Vyas	
Wife	Rasilaben Maheshkumar Vyas	Abhaben Dilipkumar Vyas
Son	• Chirag M Vyas; • Chintan Maheshkumar Vyas	• Ruchit D. Vyas; • Raj D. Vyas
Daughter	N.A.	N.A.
Brother	Dilipkumar N. Vyas	Maheshkumar N. Vyas

Nature of relationship	Maheshkumar N. Vyas	Dilipkumar N. Vyas
Sister	• Hansaben Divyakumar Upadhyay; • Renukaben Rahulkumar Shukla	• Hansaben Divyakumar Upadhyay; • Renukaben Rahulkumar Shukla
Wife's father	Late Babulal Hiralal Raval	Late Manmaujibhai Mohanlal Rawal
Wife's mother	Kantaben Babulal Raval	Late Kundanben Manmaujibhai Rawal
Wife's brother	• Late Bharatbhai Babulal Raval; • Ishwarbhai Babulal Raval	Asutosh Manmaujibhai Rawal
Wife's sister	• Jyosnaben Bipinkumar Vyas • Hasumatiben Bharatkumar Vyas; and • Shardaben Hashmukhlal Vyas	Vibhaben Gopalbhai Parikh

Entities

Sl. No.	Name
Bodies corporate	
1.	Ahmedabad Institute of Drilling Technology
2.	Flax FZC
Limited Liability partnerships	
1.	Everest Logistic LLP
2.	John Infratech LLP
3.	Piedpiper Technologies LLP
4.	Versatile Glass Solutions LLP
HUFs	
1.	Maheshkumar Natvarlal Vyas HUF
2.	Vyas Dilipkumar Natwarlal HUF
3.	Vyas Chiragkumar Maheshbhai HUF
Trusts	
1.	John Foundation

Group Companies

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standard, (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**") or the Indian Accounting Standard 24 issued by the Ministry of Corporate Affairs ("**Ind AS 24**"), as applicable) as per the Restated Consolidated Financial Information for the fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013, and other companies as per the materiality policy adopted by our Board through its resolution dated January 22, 2018, for the purpose of disclosure in connection with the Offer.

Accordingly, a company shall be considered material and disclosed as a group company if it:

(i) is a member of the Promoter Group and has entered into one or more transactions with our Company in the most recent audited fiscal which, individually or in the aggregate, exceed 10% of the total consolidated revenue of our Company for such fiscal; and

(ii) companies which, subsequent to the date of the last audited consolidated financial statements of our Company, would require disclosure in the consolidated financial statements of our Company for subsequent periods as entities covered under AS 18 or Ind AS 24 in addition to/ other than those companies covered under AS 18 or Ind AS 24, in the consolidated financial statements of our Company included in this Draft Red Herring Prospectus.

For avoidance of doubt, it is clarified that our Subsidiaries have not been considered as 'Group Companies'.

Based on the above, as on the date of this Draft Red Herring Prospectus, there are no Group Companies of our Company.

OUR DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of our Company. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our future fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 507.

The dividends declared by our Company on the Equity Shares in each of the financial years ending March 31, 2013, 2014, 2015, 2016 and 2017 as per our Restated Standalone Financial Information are given below:

Particulars	Fiscal					
	2013	2014	2015	2016	2017	2018
Face value per equity share (₹)	10.00	10.00	10.00	10.00	10.00	10.00
Dividend per Equity Share (₹)	-	-	4.00	3.25	4.25	3.20
Dividend (in ₹ million)	-	-	69.78	57.03	74.57	57.90
Rate of dividend (%)	0	0	40.00	32.50	42.50	32.00
Dividend tax (₹ in million)	-	-	11.86	11.61	15.18	11.79
Dividend tax (%)	0.00	0.00	17.00	20.36	20.36	20.36

Dividend figures mentioned in the year in which it was approved in Annual General Meeting

The dividends declared by our Company on the preference shares of the Company in each of the financial years ending March 31, 2013, 2014, 2015, 2016 and 2017 as per our Restated Standalone Financial Information are given below:

Particulars	Fiscal					
	2013	2014	2015	2016	2017	2018
6% Cumulative Redeemable Preference Shares (Series 2009)						
Face value per preference share (₹)	100.00	100.00	100.00	-	-	-
Dividend per preference share (₹)	16.62*	6.00	6.00	-	-	-
Dividend (in ₹ million)	8.31	3.00	0.37	-	-	-
Rate of dividend (%)	6	6	6	-	-	-
Dividend tax (₹ in million)	1.35	0.50	0.06	-	-	-
Dividend tax (%)	16.23	16.67	17.00	-	-	-
6% Cumulative Redeemable Preference Shares (Series 2012)						
Face value per preference share (₹)	100.00	100.00	100.00	-	-	-
Dividend per preference share (₹)(₹)	1.43**	6.00	6.00	-	-	-
Dividend (in ₹ million)	0.86	3.60	2.74	-	-	-
Rate of dividend (%)	6	6	6	-	-	-
Dividend tax (₹ in million)	0.14	0.60	0.47	-	-	-
Dividend tax (%)	16.23	16.67	17.00	-	-	-
0.05% Optionally Convertible Cumulative Redeemable Preference Shares (Series V)						
Face value per preference share (₹)	100.00	100.00	100.00	100.00	100.00	100.00
Dividend per preference share (₹)	0.03	0.05	0.05	0.05	0.05	0.02
Dividend (in ₹ million)	0.02	0.05	0.05	0.05	0.05	0.01
Rate of dividend (%)	0.05	0.05	0.05	0.05	0.05	0.05
Dividend tax (₹ in million)	0.00	0.01	0.01	0.01	0.01	-

Particulars	Fiscal					
	2013	2014	2015	2016	2017	2018
Dividend tax (%)	16.23	16.67	17.00	20.36	20.36	20.36
0.01% Optionally Convertible Cumulative Redeemable Preference Shares (Series I)						
Face value per preference share (₹)	10.00	10.00	10.00	-	-	-
Dividend per preference share (₹)	0.0005	0.001	0.0003	-	-	-
Dividend (in ₹ million)	-	-	-	-	-	-
Rate of dividend (%)	0.01	0.01	0.01	-	-	-
Dividend tax (₹ in million)	0.00	0.00	0.00	-	-	-
Dividend tax (%)	16.23	16.67	17.00	-	-	-
0.01% Optionally Convertible Cumulative Redeemable Preference Shares (Series II)						
Face value per preference share (₹)	10.00	10.00	10.00	-	-	-
Dividend per preference share (₹)	0.0005	0.001	0.001	-	-	-
Dividend (in ₹ million)	-	-	-	-	-	-
Rate of dividend (%)	0.01	0.01	0.01	-	-	-
Dividend tax (₹ in million)	0.00	0.00	0.00	-	-	-
Dividend tax (%)	16.23	16.67	17.00	-	-	-

** The dividend includes ₹ 6.00/- for the current year and ₹ 10.62/- in arrears accumulated for the Fiscals 2009, 2010 and 2011.*
*** Dividend of ₹ 1.43/- has been paid per share on prorate basis from the date of its issue.*

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risks involved, see "*Risk Factors*" on page 17.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sl. No.	Details
1.	Restated Standalone Financial Information
	i. Restated standalone financial statements as of and for the six months period ended September 30, 2017, and the year ended March 31, 2017, 2016 and 2015
	ii. Restated standalone financial statements as of and for the years ended March 31, 2014 and 2013
2.	Restated Consolidated Financial Information
	i. Restated consolidated financial statements as of and for the six months period ended September 30, 2017, and the year ended March 31, 2017, 2016 and 2015
	ii. Restated consolidated financial statements as of and for the years ended March 31, 2014 and 2013

INDEPENDENT AUDITOR'S REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

Private and Confidential

The Board of Directors
John Energy Limited
101, Shapath-3,
Sarkhej Gandhinagar Highway,
Ahmedabad – 380 054
Gujarat

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of John Energy Limited ('the Company'), which comprise of the Restated Standalone Statement of Assets and Liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Standalone Statement of Profit and Loss (including Other Comprehensive Income, as applicable) and the Restated Standalone Statement of Cash Flows for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and the Restated Standalone Statement of Changes in Equity for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 and the summary of significant accounting policies, read together with the annexures and notes thereto and other restated financial information explained in paragraphs 8 and 9 below (collectively, the 'Restated Standalone Financial Information'), as approved by the Board of Directors of the Company at their meeting held on 22 January 2018 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public offer of Equity shares by way of fresh issue and an offer for sale by the existing shareholders (collectively referred to as 'the Offer') and is prepared in terms of the requirements of:

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the 'Rules');

   (b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provision of Securities and Exchange Board of India Act, 1992 (the 'ICDR Regulations'); and

   (c) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI') (the 'Guidance Note').

2. The preparation of the Restated Standalone Financial Information is the responsibility of the Management of the Company ('Management') for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintainence of adequate internal financial controls relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, Rules, ICDR Regulations and Guidance Note.

3. We have examined the Restated Standalone Financial Information taking into consideration:

   (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 1 December 2017 in connection with the Offer; and

   (b) The Guidance Note.

4. These Restated Standalone Financial Information have been compiled by the Management as follows:

   (a) <u>As at and for the six months period ended 30 September 2017:</u> From the audited interim standalone financial statements of the Company as at and for the six months period ended 30 September 2017, prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and

Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time and other relevant provisions of the Act (collectively, the 'Interim Standalone Ind AS Financial Statements'), which have been approved by the Board of Directors at their meeting held on 22 January 2018;

(b) As at and for the years ended 31 March 2017 and 31 March 2016: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2017 and as at and for the year ended 31 March 2016 being the comparative period for the year ended 31 March 2017, prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) (Amendment) Rules 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on 31 August 2017. The audited standalone financial statements of the Company as at and for the year ended 31 March 2016, prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 ('Previous GAAP') have been approved by the Board of Directors at their meeting held on 18 July 2016;

(c) As at and for the year ended 31 March 2015: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2015, prepared in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act which has been approved by the Board of Directors at their meeting held on 28 August 2015. These audited standalone financial statements of the Company as at and for the year ended 31 March 2015 have been converted into Ind AS to align accounting policies, exemptions and disclosures as adopted for the preparations of the first Ind AS financial statements for the year ended 31 March 2017. These Restated Standalone Financial Information as at and for the year ended 31 March 2015 is referred to as 'the Standalone Proforma Ind AS Financial Information'; and

(d) As at and for the years ended 31 March 2014 and 31 March 2013: From the audited standalone financials statements of the Company as at and for the years ended 31 March 2014 and 31 March 2013, prepared in accordance with Accounting standards prescribed under Section 211 (3C) of the Companies Act, 1956 read with the Companies Accounting Standard Rules (2006) and which have been approved by the Board of Directors at their meeting held on 22 January 2018.

5. Our audit of the Company's Interim Standalone Ind AS Financial Statements was conducted by placing reliance on the audited interim Ind AS financial statements of the Algeria Branch as at and for six months period ended 30 September 2017 and included in the Interim Standalone Ind AS Financial Statements of the Company, whose interim Ind AS financial statements reflect total assets of INR 725.82 million as at 30 September 2017, total revenues of INR 951.07 million and net cash outflows of INR 118.97 million for the six months period then ended. The said interim Ind AS financial statements of the Algeria Branch have been audited by the branch auditors who expressed an unmodified opinion on the interim Ind AS financial statements of the Algeria Branch and whose report has been furnished to us by the Company's management for the purpose of consolidation into the Interim Standalone Ind AS Financial Statements of the Company, and our opinion on the Interim Standalone Ind AS Financial Statements of the Company as at and for six months period ended 30 September 2017, in so far as it relates to the amounts and disclosures included in respect of the Algeria Branch, is based solely on the report of such branch auditors, who have also confirmed that the restated interim financial information of the Algeria Branch as at and for the six months period ended 30 September 2017 included in the Restated Standalone Financial Information of the Company as at and for the six months period ended 30 September 2017, are the same as the audited interim Ind AS financial statements of the Algeria Branch as at and for the six months period ended 30 September 2017.

6. The Audit of the Company's standalone financial statements for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 was conducted by the predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants, and accordingly reliance has been placed on the Restated Standalone Financial Information examined by them for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. The Restated Standalone Financial Information included for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 are based solely on the report dated 29 January 2018 submitted by the predecessor auditors, who have also confirmed that the Restated Standalone Financial Information relating to the above mentioned years:

(a) have been made placing reliance on the report of branch auditors on the financial statements of the Algeria Branch, which have been audited by branch auditors and whose reports were furnished to the predecessor auditors by the Company's management in so far as it relates to the amounts and disclosures included in the Restated Standalone Financial Information in respect of the Algeria Branch;

(b) have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting years;

(c) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

(d) do not contain any exceptional items that need to be disclosed separately other than those presented in the Restated Standalone Financial Information in the respective financial years and do not contain any qualification requiring adjustments.

7. Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, ICDR Regulations, Guidance Note and terms of our engagement agreed with you, we report that:

(a) The Restated Standalone Statement of Assets and Liabilities of the Company as at 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined and reported upon by the predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and as at 30 September 2017 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Standalone Financial Statements appearing in Annexure VI of the Restated Standalone Financial Information.

(b) The Restated Standalone Statement of Profit and Loss of the Company for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined and reported upon by the predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Standalone Financial Statements appearing in Annexure VI of the Restated Standalone Financial Information.

(c) The Restated Standalone Statement of Cash Flows of the Company for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined and reported upon by the predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Standalone Financial Statements appearing in Annexure VI of the Restated Standalone Financial Information.

(d) The Restated Standalone Statement of Changes in Equity of the Company for the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined and reported upon by the predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 examined by us, as set out in Annexure IV to this report, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Standalone Financial Statements appearing in Annexure VI of the Restated Standalone Financial Information.

(e) Based on the above and according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, for the respective years and report submitted by the branch auditors to us, we further report that the Restated Standalone Financial information:

(i) have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years / period to reflect the same accounting treatment as per changed accounting policy for all the reporting years/period;

(ii) have been made after incorporating adjustments for the material amounts in the respective financial years / period to which they relate; and

(iii) do not contain any exceptional items that need to be disclosed separately other than those presented in the Restated Standalone Financial Information in the respective financial years / period and do not contain any qualification requiring adjustments.

8. We have also examined the following Restated Standalone Financial Information of the Company as set out in the following Annexures prepared by the Management and approved by the Board of Directors on 22 January 2018 for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015. In respect of the years ended 31 March 2017, 31 March 2016 and 31 March 2015, these Restated Standalone Financial Information of the Company have been included based upon the reports submitted by predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants and relied upon by us:

(i) Restated Standalone Statement of Basis of Preparation and Significant Accounting Policies as enclosed in Note 1 and Note 2 of Annexure V;
(ii) Restated Standalone Statement of Property, Plant & Equipment and Depreciation / Amortisation Expenses as enclosed in Note 3.1 and Note 3.2 of Annexure V;
(iii) Restated Standalone Statement of Non-current Financial Assets - Investments as enclosed in Note 4 of Annexure V;
(iv) Restated Standalone Statement of Non-current Financial Assets - Others as enclosed in Note 5 of Annexure V;
(v) Restated Standalone Statement of Non-current Assets – Advance tax assets (Net) as enclosed in Note 6 of Annexure V;
(vi) Restated Standalone Statement of Other Non-current Assets as enclosed in Note 7 of Annexure V;
(vii) Restated Standalone Statement of Inventories as enclosed in Note 8 of Annexure V;
(viii) Restated Standalone Statement of Current Financial Assets - Trade Receivables as enclosed in Note 9 of Annexure V;
(ix) Restated Standalone Statement of Current Financial Assets - Cash and Cash Equivalents and Other Bank Balances as enclosed in Note 10 of Annexure V;
(x) Restated Standalone Statement of Current Financial Assets - Loans as enclosed in Note 11 of Annexure V;
(xi) Restated Standalone Statement of Current Financial Assets - Others as enclosed in Note 12 of Annexure V;
(xii) Restated Standalone Statement of Other Current Assets as enclosed in Note 13 of Annexure V;
(xiii) Restated Standalone Statement of Equity Share Capital as enclosed in Note 14 of Annexure V;
(xiv) Restated Standalone Statement of Preference Share Capital as enclosed in Note 15 of Annexure V;
(xv) Restated Standalone Statement of Other Equity as enclosed in Note 16 of Annexure V;
(xvi) Restated Standalone Statement of Non-Current Financial Liabilities - Borrowings as enclosed in Note 17 of Annexure V;
(xvii) Restated Standalone Statement of Non-Current Financial Liabilities - Others as enclosed in Note 18 of Annexure V;
(xviii) Restated Standalone Statement of Non-Current Provisions as enclosed in Note 19 of Annexure V;
(xix) Restated Standalone Statement of Deferred Tax Liabilities and Deferred Tax Assets as enclosed in Note 20 of Annexure V;
(xx) Restated Standalone Statement of Current Financial Liabilities - Borrowings as enclosed in Note 21 of Annexure V;
(xxi) Restated Standalone Statement of Current Financial Liabilities – Trade Payables as enclosed in Note 22 of Annexure V;
(xxii) Restated Standalone Statement of Current Financial Liabilities – Others as enclosed in Note 23 of Annexure V;

(xxiii) Restated Standalone Statement of Current Liabilities – Provisions as enclosed in Note 24 of Annexure V;
(xxiv) Restated Standalone Statement of Other Current Liabilities as enclosed in Note 25 of Annexure V;
(xxv) Restated Standalone Statement of Current Tax Liability (Net) as enclosed in Note 26 of Annexure V;
(xxvi) Restated Standalone Statement of Revenue From Operations as enclosed in Note 27 of Annexure V;
(xxvii) Restated Standalone Statement of Other Income as enclosed in Note 28 of Annexure V;
(xxviii) Restated Standalone Statement of Operating Expenses for Drilling & Workover Rigs as enclosed in Note 29 of Annexure V;
(xxix) Restated Standalone Statement of Manufacturing Expenses as enclosed in Note 30 of Annexure V;
(xxx) Restated Standalone Statement of Employee Benefits Expense as enclosed in Note 31 of Annexure V;
(xxxi) Restated Standalone Statement of Finance Costs as enclosed in Note 32 of Annexure V;
(xxxii) Restated Standalone Statement of Other Expenses, as enclosed in Note 33 of Annexure V;
(xxxiii) Restated Standalone Statement of Other Significant Notes to the Restated Financial Statements, as enclosed in Note 34 to Note 44 of Annexure V;
(xxxiv) Summary Statement of Adjustments to the Restated Standalone Financial Information and Notes to Summary Statement of Adjustments to the Audited Standalone Financial Statements as enclosed in Annexure VI;
(xxxv) Restated Standalone Statement of Dividend Paid, as enclosed in Annexure VII;
(xxxvi) Restated Statement Statement of Capitalisation, as enclosed in Annexure VIII;
(xxxvii) Restated Standalone Statement of Accounting Ratios, as enclosed in Annexure IX;
(xxxviii) Restated Standalone Statement of Tax Shelter, as enclosed in Annexure X;

9. We have also examined the following Restated Standalone Financial Information of the Company as set out in the following Annexures prepared by the Management and approved by the Board of Directors on 22 January 2018 for each of the years ended 31 March 2014 and 31 March 2013. In respect of the years ended 31 March 2014 and 31 March 2013, these Restated Standalone Financial Information of the Company have been included based upon the reports submitted by predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants and relied upon by us:

(i) Annexure IV – intentionally kept blank;
(ii) Basis of preparation and significant accounting policies as enclosed in Note 1 and Note 2 of Annexure V;
(iii) Restated Standalone Statement of Share Capital as enclosed in Note 3 of Annexure V;
(iv) Restated Standalone Statement of Reserves & Surplus as enclosed in Note 4 of Annexure V;
(v) Restated Standalone Statement of Long-term Borrowings as enclosed in Note 5 of Annexure V;
(vi) Restated Standalone Statement of Deferred Tax Liabilities and Deferred Tax Assets as enclosed in Note 6 of Annexure V;
(vii) Restated Standalone Statement of Long-term Provisions as enclosed in Note 7 of Annexure V;
(viii) Restated Standalone Statement of Short-term Borrowings as enclosed in Note 8 of Annexure V;
(ix) Restated Standalone Statement of Trade Payables as enclosed in Note 9 of Annexure V;
(x) Restated Standalone Statement of Other Current Liabilities as enclosed in Note 10 of Annexure V;
(xi) Restated Standalone Statement of Short-term Provisions as enclosed in Note 11 of Annexure V;
(xii) Restated Standalone Statement of Fixed Assets and Depreciation / Amortisation Expenses as enclosed in Note 12 of Annexure V;
(xiii) Restated Standalone Statement of Non-current Investments as enclosed in Note 13 of Annexure V;
(xiv) Restated Standalone Statement of Long-term Loans & Advances as enclosed in Note 14 of Annexure V;
(xv) Restated Standalone Statement of Inventories as enclosed in Note 15 of Annexure V;
(xvi) Restated Standalone Statement of Trade Receivables as enclosed in Note 16 of Annexure V;
(xvii) Restated Standalone Statement of Cash and Bank Balances as enclosed in Note 17 of Annexure V;
(xviii) Restated Standalone Statement of Short-term Loans & Advances as enclosed in Note 18 of Annexure V;
(xix) Restated Standalone Statement of Other Current Assets as enclosed in Note 19 of Annexure V;
(xx) Restated Standalone Statement of Revenue From Operations as enclosed in Note 20 of Annexure V;
(xxi) Restated Standalone Statement of Other Income as enclosed in Note 21 of Annexure V;
(xxii) Restated Standalone Statement of Changes in Inventory of Finished Goods as enclosed in Note 22 of Annexure V;
(xxiii) Restated Standalone Statement of Operating Expenses for Drilling & Workover Rigs as enclosed in Note 23 of Annexure V;
(xxiv) Restated Standalone Statement of Manufacturing Expenses as enclosed in Note 24 of Annexure V;

(xxv) Restated Standalone Statement of Employee Benefits Expense as enclosed in Note 25 of Annexure V;
(xxvi) Restated Standalone Statement of Finance Costs as enclosed in Note 26 of Annexure V;
(xxvii) Restated Standalone Statement of Other Expenses, as enclosed in Note 27 of Annexure V;
(xxviii) Restated Standalone Statement of Other Significant Notes to the Restated Financial Statements, as enclosed in Note 28 to Note 35 of Annexure V;
(xxix) Summary Statement of Adjustments to the Restated Standalone Financial Information and Notes to Summary Statement of Adjustments to the Audited Standalone Financial Statements as enclosed in Annexure VI;
(xxx) Restated Standalone Statement of Dividend Paid, as enclosed in Annexure VII;
(xxxi) Restated Statement Statement of Capitalisation, as enclosed in Annexure VIII;
(xxxii) Restated Standalone Statement of Accounting Ratios, as enclosed in Annexure IX;
(xxxiii) Restated Standalone Statement of Tax Shelter, as enclosed in Annexure X;

10. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and also as per the reliance placed on the reports submitted by the predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants, the Restated Standalone Financial Information of the Company as at and for the six months period ended 30 September 2017 and as at and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, including the above mentioned Other Restated Standalone Financial Information contained in Annexures VI to Annexure X, read with basis of preparation and summary of significant accounting policies disclosed in Annexure V, are prepared after making proforma adjustments and regroupings as considered appropriate and as disclosed in Annexure VI and the Proforma Ind AS Restated Standalone Financial Information of the Company as at and for the year ended 31 March 2015, read with the basis of preparation and summary of significant accounting policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and as disclosed in Annexure VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and Guidance Note.

11. We have complied with relevant applicable requiremets of the standards on Quality Control (SQC 1), Quality control for firms that perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firms of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Management and for inclusion in the offer document to be filed with Securities and Exchange Board of India, relevant Stock Exchanges where the equity shares are proposed to be listed and the relevant Registrar of Companies in India, in connection with the Offer. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
CIN: U29224GJ1987PLC010044
ANNEXURE-I: RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

₹ in million

	Note no. of Annexure V	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
ASSETS					
Non-current Assets					
Property, plant and equipment	3.1	9,613.96	8,052.66	8,406.26	8,639.25
Capital work-in-progress	3.1	108.27	1,776.04	439.61	-
Intangible assets	3.2	0.13	0.20	0.41	0.35
Financial asset					
(a) Investments	4	4.92	4.93	4.76	5.15
(b) Others	5	3.16	5.19	4.04	4.30
Advance tax assets (net)	6	148.01	567.17	534.75	520.46
Other non-current assets	7	60.86	16.96	129.32	208.20
Total Non-current assets		**9,939.31**	**10,423.15**	**9,519.15**	**9,377.71**
Current Assets					
Inventories	8	727.32	764.61	721.35	655.48
Financial assets					
(a) Trade receivables	9	910.29	935.10	946.71	1,014.84
(b) Cash and cash equivalents	10	176.27	522.97	396.87	349.74
(c) Bank balance other than (b) above	10	248.84	242.72	213.23	166.78
(d) Loans	11	-	26.58	27.20	28.76
(e) Others	12	329.97	431.10	557.19	604.17
Other current assets	13	321.36	208.74	172.67	79.73
Total Current assets		**2,714.05**	**3,131.82**	**3,035.22**	**2,899.50**
TOTAL ASSETS		**12,653.36**	**13,554.97**	**12,554.37**	**12,277.21**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	14	183.67	183.67	175.46	175.46
Optionally Convertible Cumulative Redeemable Preference Shares	15	-	-	90.00	90.00
Other Equity	16	4,861.65	4,931.26	4,543.95	4,629.58
Total Equity		**5,045.32**	**5,114.93**	**4,809.41**	**4,895.04**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings	17	2,405.14	2,783.37	2,198.95	2,431.11
(b) Other financial liabilities	18	77.10	43.52	-	-
Provisions	19	3.44	2.76	2.64	1.59
Deferred tax liability (Net)	20	925.36	1,370.59	1,282.74	1,100.10
Total Non-current liabilities		**3,411.04**	**4,200.24**	**3,484.33**	**3,532.80**
Current liabilities					
Financial liabilities					
(a) Borrowings	21	1,543.82	1,454.75	1,478.49	1,393.08
(b) Trade payables	22	1,556.24	1,604.79	1,465.68	1,260.58

(c) Other financial liabilities	23	950.79	842.83	921.81	1,038.15
Provisions	24	63.20	1.06	0.44	0.54
Other current liabilities	25	82.95	30.05	19.61	26.25
Current tax liability (Net)	26	-	306.32	374.60	130.77
Total Current liabilities		**4,197.00**	**4,239.80**	**4,260.63**	**3,849.37**
Total Liabilities		**7,608.04**	**8,440.04**	**7,744.96**	**7,382.17**
TOTAL EQUITY AND LIABILITIES		**12,653.36**	**13,554.97**	**12,554.37**	**12,277.21**

Notes:
a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-44 forming part of the Restated Standalone Financial Information.

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-II: RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

₹ in million

	Note No. of Annexure V	For six months period ended 30 September 2017	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016	For year ended 31 March 2015 (Proforma Ind AS)
INCOME					
Revenue from operations	27	2,282.83	5,767.36	5,611.94	5,123.44
Other income	28	34.52	61.88	63.56	25.59
TOTAL INCOME (I)		**2,317.35**	**5,829.24**	**5,675.50**	**5,149.03**
EXPENSES					
Operating expenses for drilling and workover rigs	29	1,281.79	3,063.99	3,241.40	3,025.93
Manufacturing expenses	30	4.71	14.23	18.89	1.48
Employee benefits expenses	31	346.13	626.02	568.18	581.61
Finance costs	32	234.81	402.29	441.32	469.90
Depreciation and amortization expense	3.1 & 3.2	272.57	463.15	479.71	464.11
Other expenses	33	171.92	440.39	436.30	314.45
TOTAL EXPENES (II)		**2,311.93**	**5,010.07**	**5,185.80**	**4,857.48**
Profit Before Tax (I - II)		**5.42**	**819.17**	**489.70**	**291.55**
Tax Expenses					
Current tax (including foreign tax)		-	(330.35)	(405.72)	(167.30)
Deferred tax		3.17	(89.77)	(184.28)	(70.56)
Minimum alternate tax credit entitlement		-	-	77.06	66.55
Excess/(short) provision for tax in respect of earlier years		-	-	9.40	7.27
Profit / (Loss) for the period / year		**2.25**	**399.05**	**(13.84)**	**127.51**
Other Comprehensive Income (OCI)					
<u>Items that will not be reclassified to profit or loss:</u>					
(a) Loss on remeasurement of defined benefit plans		3.30	5.64	4.73	3.14
(b) Tax effect on above		(1.14)	(1.92)	(1.64)	(0.81)
Total other comprehensive income		**2.16**	**3.72**	**3.09**	**2.33**
Total comprehensive income / (loss) for the period / year		**0.09**	**395.33**	**(16.93)**	**125.18**
Earnings Per Share (Face Value of ₹10 each)	36				
Basic EPS (₹)		0.12	22.07	(0.79)	7.26
Diluted EPS (₹)		0.12	22.07	(0.79)	6.94

Note:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-44 forming part of the Restated Standalone Financial Information.

As per our report of even date attached	**For and on behalf of the Board of Directors**	
For B S R & Associates LLP		
Chartered Accountants		
Firm's Registration No: 116231W/W-100024		
	Maheshkumar Vyas	**Dilipkumar Vyas**
Jeyur Shah	*Chairman and Managing Director*	*Whole-time Director*
Partner	(DIN No. 00432810)	(DIN No. 00432971)
Membership No: 045754		
Place: Ahmedabad		
Date: 31 January 2018		
	Rakesh Ghuwalewala	**Jayesh Asher**
	Company Secretary	*Chief Financial Officer*
	Membership No.: A15520	
	Place: Ahmedabad	
	Date: 31 January 2018	

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-III: RESTATED STANDALONE STATEMENT OF CASH FLOWS

₹ in million

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A.	**Cash flows from operating activities**				
	Profit for the period / year	**5.43**	**819.17**	**489.70**	**291.55**
	Adjustments for:				
	Depreciation and amortization expense	272.57	463.15	479.71	464.11
	Loss/(gain) on sale/ disposal of PPE (net)	0.98	9.62	16.11	(3.98)
	Finance costs	234.81	402.29	441.32	469.90
	Bad debts	-	32.94	28.37	-
	Interest income	(8.20)	(19.67)	(16.99)	(18.57)
	Provision for doubtful debts and advances	-	-	-	15.00
	Unrealised foreign exchange (gain)/ loss (net)	8.91	(41.63)	36.41	(60.01)
	Excess provisions/ balances written back	-	(15.75)	(5.42)	-
	Dividend income from Investment carried at FVTPL	-	-	(0.02)	-
	(Loss)/ gain on Investment carried at FVTPL	0.01	(0.17)	0.39	0.14
	Operating profit before working capital changes	**514.51**	**1,649.95**	**1,469.58**	**1,158.14**
	Adjustment for:				
	Trade receivables	42.11	(46.87)	(19.08)	199.98
	Inventories	37.30	(43.26)	(65.87)	23.08
	Other bank balances	(6.11)	(29.49)	(46.45)	(26.17)
	Loans and advances and other current and non-current assets	(9.53)	27.39	106.26	(200.42)
	Trade, other payables and provisions	29.96	277.43	226.47	506.10
		93.73	**185.20**	**201.33**	**502.57**
	Cash generated from Operations	608.24	1,835.15	1,670.91	1,660.71
	Direct tax paid (net)	(334.41)	(411.74)	(176.72)	(163.56)
	Net cash generated from operating activities (A)	**273.83**	**1,423.41**	**1,494.19**	**1,497.15**
B.	**Cash flows from investing activities**				
	Purchase of PPE	(156.02)	(1,431.67)	(537.09)	(813.46)
	Proceeds on sale of PPE	2.89	13.83	9.34	11.39
	Interest income	7.78	18.70	20.45	16.05
	Dividend income from Investment carried at FVTPL	-	-	0.02	-
	Net cash (used in) investing activities (B)	**(145.35)**	**(1,399.14)**	**(507.28)**	**(786.02)**
C.	**Cash flows from financing activities**				
	Proceeds from non-current borrowings	-	1,397.59	405.61	509.58
	(Repayments) of non-current borrowings	(259.11)	(772.57)	(935.45)	(807.42)
	(Repayments)/ proceeds from current borrowings (net)	85.46	(11.51)	60.90	97.49

₹ in million

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
	Dividend paid (including corporate dividend tax)	(69.71)	(89.81)	(68.69)	(85.33)
	Finance cost	(232.10)	(425.35)	(405.03)	(417.65)
	Net cash from / (used in) financing activities (C)	**(475.46)**	**98.35**	**(942.66)**	**(703.33)**
D.	**Exchange difference on cash and cash equivalents (D)**	0.28	3.48	2.89	-
	Net increase in cash and cash equivalents (A+B+C+D)	**(346.70)**	**126.10**	**47.13**	**7.80**
	Cash and cash equivalents at the beginning of the year	522.97	396.87	349.74	341.94
	Cash and cash equivalents at the end of the period/year	**176.27**	**522.97**	**396.87**	**349.74**

The above Restated Standalone Cash Flow Statement has been prepared under the Indirect Method as set out in "Indian Accounting Standard 7 Cash Flow Statement notified under Section 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting standards) Rules 2015 and the relevant provisions of the Act.

Note:
a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-44 forming part of the Restated Standalone Financial Information.

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-IV: RESTATED STANDALONE STATEMENT OF CHANGES IN EQUITY

₹ in million

	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
A) Equity Share Capital				
Balance at the beginning of the reporting period/year	183.67	175.46	175.46	175.46
Changes during the period/year* [Refer note 14]	-	8.21	-	-
Balance at the end of the reporting period / year	**183.67**	**183.67**	**175.46**	**175.46**
B) Optionally Convertible Cumulative Redeemable Preference				
Balance at the beginning of the reporting period/year	-	90.00	90.00	90.00
Changes during the period/year* [Refer note 15]	-	(90.00)	-	-
Balance at the end of the reporting period / year	**-**	**-**	**90.00**	**90.00**
* 900,003 Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) converted to 820,967 number of equity shares as on 31 July, 2016 as per share subscription agreement.				

C) Other Equity

	Reserve and Surplus				Items of Other Comprehensive Income
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at the beginning of April 1, 2014 (Proforma Ind AS)	2,618.57	110.27	65.42	1,893.26	-
Profit for the year	-	-	-	127.51	
Other Comprehensive Income	-	-	-	-	(2.33)
Total Comprehensive income for the year	**-**	**-**	**-**	**127.51**	**(2.33)**
Dividend including tax thereon	-	-	-	(85.33)	-
Less: Depreciation on transition to Schedule II of Companies Act, 2013 [net of deferred tax]	-	-	-	(97.79)	-
Balance at the end of 31 March 2015 (Proforma Ind AS)	**2,618.57**	**110.27**	**65.42**	**1,837.65**	**(2.33)**
Loss for the year	-	-	-	(13.84)	-
Other Comprehensive Income	-	-	-	-	(3.09)
Total Comprehensive income for the year	-	-	-	(13.84)	(3.09)
Dividend including tax thereon	-	-	-	(68.69)	-
Balance at the end of 31 March 2016	**2,618.57**	**110.27**	**65.42**	**1,755.12**	**(5.43)**
Profit for the year	-	-	-	399.05	-
Other Comprehensive Income	-	-	-	-	(3.72)
Total Comprehensive income for the year	-	-	-	399.05	(3.72)

Dividend paid (including dividend tax)	-	-	-	(89.81)	
Premium on conversion of OCCRPS [Refer note 15]	81.79	-	-	-	-
Balance at the end of 31 March 2017	**2,700.36**	**110.27**	**65.42**	**2,064.36**	**(9.15)**
Profit for the period	-	-	-	2.26	-
Other Comprehensive Income (net of tax)	-	-	-	-	(2.16)
Total comprehensive income for the period	-	-	-	2.26	(2.16)
Transactions with owners, recorded directly in Equity					
Dividend paid (including dividend tax)	-	-	-	(69.71)	-
Balance as at 30 September 2017	**2,700.36**	**110.27**	**65.42**	**1,996.91**	**(11.31)**

Reconciliation of Retained Earnings	**Note no. 2**	**(₹ in million)**
Balance at the beginning as per IGAAP		**1,979.09**
Add: Dividends (Including dividend distribution tax) not recognised as liability	F	85.33
Add: Effect of measuring investments at fair value	A	0.75
Less: Deferred tax liability	G	(171.91)
Balance at the beginning as per Ind AS		**1,893.26**

Note:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-44 forming part of the Restated Standalone Financial Information.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Note 1 Significant accounting policies

1 **Company Overview**
John Energy Limited ('the Company") is a company incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). The Company's registered office is situated at Plot No.220, GIDC Estate, Mehsana, Gujarat, India. The Company caters to the Exploration and Production sector of the Oil and Gas Industry.

2 **Basis of preparation and presentation**

Compliance with Indian Accounting Standards (Ind AS):
The Restated Standalone Statement of Assets and Liabilities of the John Energy Limited as at September 30, 2017, March 31, 2017, March 31, 2016 and March 31, 2015 and related the Restated Standalone Summary Statement of Profit and Loss. Restated Standalone Summary Statement of Cash Flow for the half year ended September 30, 2017 and year ended March 31, 2017, March 31, 2016 and March 31, 2015 (hereinafter collectively referred to as "Restated Standalone Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering through Offer for Sale(IPO) of its equity shares.

The interim restated standalone financial statements for the half year ended September 30, 2017 have been prepared in accordance with recognition and measurement criteria laid down in Ind AS 34 – 'Interim Financial Reporting,' but they do not contain corresponding figures for the previous period as required by Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The Standalone Financial Statements as at and for the year ended March 31, 2017 have been prepared in accordance with Indian Accounting Standards(" Ind As") notified under the Companies(Indian Accounting Standards) Rules ,2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016. In accordance with Ind AS 101 First- time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules,2006 ("Previous GAAP") to Ind AS for Shareholders' Fund as at March 31,2016 and April 1, 2015 and of the total comprehensive income for the year ended March 31, 2016.

For all the periods upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 (" Indian GAAP" or Previous GAAP"). These financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

These Restated Standalone Financial Information have been prepared to comply in accordance with Indian Accounting Standards (" Ind AS") notified under the Companies (India Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Restated Standalone Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 on Prospectus and Allotment of Securities and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (" the SEBI Regulations") as amended from time to time.

The Standalone Proforma Financial Information of the Company as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1,2015) while preparing proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015.

(ii) Basis of measurement :

The restated standalone financial statements have been prepared on a historical cost basis, except for the following:
• certain financial assets and liabilities (including derivative instruments) that are measured at fair value and
• defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(iii) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).
If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair value is included in the following notes:
Note N: - financial instruments

(iv) Functional and presentation currency

These restated standalone financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest million.

(v) Use of estimate and judgments

While preparing the standalone financial statements in conformity with Ind AS, the Management of the Company has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

<u>Determination of the estimated useful lives</u>

Useful lives of property, plant and equipment are based on the estimation done by management which is in line with the useful life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

<u>Recognition and measurement of defined benefit obligations</u>

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

<u>Recognition of deferred tax assets</u>

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

<u>Inventories</u>

Inventories include stores, spares and consumables which are interchangeable and used from time to time. In the best estimate and judgment of the Company's management, these spares and components have a realisable value in excess of their carrying value based on the replacement cost of such spares and components.

3 Significant accounting polices

A Revenue

<u>Revenue Recognition :</u>

Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services:

Income from oil drilling and exploration is recognized when services are rendered as per the terms of the contractual arrangements and when collectability of the resulting receivable is reasonably assured. Operating lease income is recognized as per the terms of the lease contract.

Sale of goods:

Revenue from sale of goods is recognised upon delivery in accordance with the terms of the individual contracts and on transfer of significant risks and rewards in respect of ownership to the buyer. Revenue is recognised when collectability of the resulting receivable is reasonably assured.

Other Operating Revenues:

Other operating revenues comprise of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

Dividend and Interest Income:

Dividend income from investments is recognised when the Company’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

B Borrowing costs

Borrowing Cost include interest and other costs (including exchange differences relating to foreign currency borrowings to the extent regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

C Leases

Determining whether an arrangement contains a lease

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception or on reassessment of the lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Assets held under lease

Lease of property, plant and equipment that transfers to the Company substantially all the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet

Lease payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

D Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) after tax (excluding OCI) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (excluding OCI) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

E Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and any directly attributable cost of bringing them to working conditions for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item if property, plant and equipment is recognised in profit or loss.

ii. Deemed cost on transition to Ind AS:

The Company has elected to continue with the carrying value of all of its PPE recognised as of 1 April 2015 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditures will flow to the Company.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful life as specified under Schedule II of Companies Act, 2013 using the straight-line method and depreciation is provided at 100% on items of property, plant and equipment costing less than ₹5,000 in the year of purchase and is recognised in Depreciation and Amortisation Expense in Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation of additions/ disposals is provided on a pro-rata basis, i.e., from/ upto the date on which the asset is ready to use/ disposed off.

v. De-recognition of Property, Plant and Equipment

An item of property, plant and equipment is de-recognised upon disposal or when no economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

F Capital work-in-progress and capital advances

Cost of assets not ready for intended use, as on the reporting date, is shown under capital work-in-progress .

Advances given towards acquisition of property, plant and equipment outstanding as at reporting date are disclosed as other non-current assets.

G Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment loss, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss

iii. Amortisation

Amortisation is calculated to write off the costs of intangible assets less their estimated residual value over their useful life as specified under Schedule II of Companies Act, 2013 using the straight-line method and amortisation is provided at 100% on items of intangible assets costing less than ₹5,000 in the year of purchase and is recognised in Depreciation and Amortisation Expense in Statement of Profit and Loss.

H Impairment of property, plant and equipment and intangible assets:

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). Recoverable amount is the higher of an asset’s net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm’s length transaction between knowledgeable, willing parties, less the costs of disposal.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement profit or loss.

I Inventories

Inventories are valued at lower of cost or net realisable value. The cost is determined on first in first out basis. The cost of inventories comprises of cost of purchases, taxes and duties (net of eligible credits) and all other related costs incurred in bringing the inventories to their present location and condition. Net realisable value in respect of stores and spares is the estimated current procurement price in the ordinary course of business. Provision is made for obsolete/ slow moving inventories as per the Company's policy.

J Employee Benefits :

Employee benefits includes provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan :

Payments to defined contribution plans i.e., Company's contribution to provident fund and employee state insurance, are determined under the relevant statute and relevant schemes and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined benefit plan :

For defined benefit plans i.e. Company's liability towards gratuity (funded),i.e. the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each reporting period. Defined benefit costs are comprised of:

a) service cost (including current service cost, past service cost, as well as gains and losses on settlements);
b) net interest expense or income; and
c) re-measurement.

The Company presents the first two components of defined benefit costs in statement of Profit or Loss under 'Employee benefits expense'. Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the Balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to statement of profit or loss.

Other long term employee benefits

Liability towards Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives and medical benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

K Taxes on Income :

Income tax expense represents the current tax and deferred tax. Current and deferred tax are recognised in statement of profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in Equity respectively.

Current tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the restated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

<u>Minimum Alternate Tax (MAT):</u>
Minimum Alternative Tax ('MAT') under provision of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognised as an assets is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

L **Foreign currency transactions:**

if. Initial recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of Profit and Loss.

ii. Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates and are recognised in Statement of Profit and Loss in the period in which they arise, except for exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed before 1 April 2016 at rates different from those at which they were initially recorded or reported in the previous standalone financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets.

iii. Foreign operations (Through foreign branch):

The Company's foreign operations (through a foreign branch) are an integral part of the Company's activities. In preparing the restated standalone financial statements, transactions in currencies other than the Company's functional currency are being recognised at the transaction rates prevailing on date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

M **Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

N **Financial instruments:**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets : All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Classification of financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present the Company does not have investment in any debt securities classified as FVOCI

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. At present there are no such investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of its business model in which every financial asset held best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Subsequent measurement and gains and losses for financial assets held by the group

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

De-recognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue cost.

Financial liabilities:
All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

De-recognition of financial liabilities:
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Company has applied the de-recognition requirements of financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

Derivative financial instruments:
The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

First time Ind AS adoption reconciliations

2.1.1 Reconciliation as at 31 March 2016: *₹ in million*

	Note	As at 31 March 2016 (Latest period presented under Previous GAAP)			
		Previous GAAP	Effect of Ind AS Transition	Restated Adjustments	Restated Ind AS Balance Sheet
ASSETS					
Non-current Assets					
Property, plant and equipment	C	8,277.67	(0.88)	129.43	8,406.22
Capital work in progress		439.61	-	-	439.61
Intangible assets		0.41	-	-	0.41
Financial asset					
(a) Investments					
i) Investments in subsidiaries		4.37	-	-	4.37
ii) Other investments	A	0.18	0.21	-	0.39
(b) Others		4.04	-	-	4.04
Advance tax assets (net)		534.75	-	-	534.75
Other non-current assets	C	128.47	0.85	-	129.32
Total non-current assets		**9,389.50**	**0.18**	**129.43**	**9,519.11**
Current Assets					
Inventories		721.35	-	-	721.35
Financial assets					
(a) Trade receivable		946.71	-	-	946.71
(b) Cash and cash equivalents		396.87	-	-	396.87
(c) Bank balance other than (b) above		213.23	-	-	213.23
(d) Loans		27.20	-	-	27.20
(e) Others		557.19	-	-	557.19
Other current assets	C	172.66	0.01	-	172.67
Total current assets		**3,035.21**	**0.01**	**-**	**3,035.22**
TOTAL ASSETS		**12,424.71**	**0.19**	**129.43**	**12,554.33**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital		175.46	-	-	175.46
Optionally Convertible Cumulative Redeemable Pref. Shares		90.00	-	-	90.00
Other Equity	A / C / F/ G	4,608.83	90.02	(154.92)	4,543.93
Total equity		**4,874.29**	**90.02**	**(154.92)**	**4,809.39**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings		2,198.95	-	-	2,198.95
Provision		2.64	-	-	2.64
Deferred tax liabilities (net)	G	998.37	-	284.35	1,282.72
Total non-current liabilities		**3,199.96**	**-**	**284.35**	**3,484.31**

Current liabilities					
Financial liabilities					
(a) Borrowings		1,478.49	-	-	1,478.49
(b) Trade payables		1,465.68	-	-	1,465.68
(c) Other financial liabilities		921.81	-	-	921.81
Provisions	F	90.27	(89.83)	-	0.44
Other current liabilities		19.61	-	-	19.61
Current tax liability (net)		374.60	-	-	374.60
Total current liabilities		**4,350.46**	**(89.83)**	**-**	**4,260.63**
Total liabilities		**7,550.42**	**(89.83)**	**284.35**	**7,744.94**
TOTAL EQUITY & LIABILITIES		**12,424.71**	**0.19**	**129.43**	**12,554.33**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

First time Ind AS adoption reconciliations *(continued)*

2.1.2 Reconciliation as at March 31, 2015 (Proforma) *₹ in million*

Particulars	Note no.	As at 31 March 2015 (Proforma)			
		Previous GAAP	Proforma Adjustments	Restated Adjustments	Restated Ind AS Balance Sheet
ASSETS					
Non-current Assets					
Property, plant and equipment	C	8,466.79	(0.87)	173.33	8,639.25
Intangible assets		0.35	-	-	0.35
Financial asset					
(a) Investments					
i) Investments in subsidiaries		4.37	-	-	4.37
ii) Other investments	A	0.18	0.60	-	0.78
(b) Others		4.30	-	-	4.30
Advance tax assets (net)		529.85	-	(9.39)	520.46
Other non-current assets	C	207.34	0.86	-	208.20
Total non-current assets		**9,213.18**	**0.59**	**163.94**	**9,377.71**
Current Assets					
Inventories		655.48	-	-	655.48
Financial assets					
(a) Trade receivable		1,014.84	-	-	1,014.84
(b) Cash and cash equivalents		349.74	-	-	349.74
(c) Bank balance other than (b) above		166.78	-	-	166.78
(d) Loans		28.76	-	-	28.76
(e) Others		604.17	-	-	604.17
Other current assets	C	79.72	0.01	-	79.73
Total current assets		**2,899.49**	**0.01**	**-**	**2,899.50**
Total assets		**12,112.67**	**0.60**	**163.94**	**12,277.21**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital		175.46	-	-	175.46
Optionally Convertible Cumulative Redeemable Pref. Shares		90.00	-	-	90.00
Other Equity	A / C / F/ G	4,667.69	69.29	(107.41)	4,629.57
Total equity		**4,933.15**	**69.29**	**(107.41)**	**4,895.03**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings		2,431.11	-	-	2,431.11
Provision		1.59	-	-	1.59
Deferred tax liabilities (net)	G	828.75	-	271.35	1,100.10
Total non-current liabilities		**3,261.45**	**-**	**271.35**	**3,532.80**

Current liabilities					
Financial liabilities					
(a) Borrowings		1,393.08	-	-	1,393.08
(b) Trade payables		1,260.59	-	-	1,260.59
(c) Other financial liabilities		1,038.15	-	-	1,038.15
Provisions	F	69.23	(68.69)	-	0.54
Other current liabilities		26.25	-	-	26.25
Current tax liability (net)		130.77	-	-	130.77
Total current liabilities		**3,918.07**	**(68.69)**	**-**	**3,849.38**
Total liabilities		**7,179.52**	**(68.69)**	**271.35**	**7,382.18**
Total equity and liabilities		**12,112.67**	**0.60**	**163.94**	**12,277.21**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

First time Ind AS adoption reconciliations *(continued)*

2.2.1 Reconciliation of profit and loss for the year ended March 31, 2016 ***₹ in million***

	Note No.	For year ended 31 March 2016 (Latest period presented under Previous GAAP)			
		Previous GAAP	Effect of Ind AS Transition	Restated Adjustments	Restated Ind AS
REVENUE					
Revenue from operations		5,611.94	-	-	5,611.94
Other income	A	63.95	(0.39)	-	63.56
Total Income		**5,675.89**	**(0.39)**	**-**	**5,675.50**
EXPENSES					
Operating expenses for drilling and workover		3,241.40	-	-	3,241.40
Manufacturing expenses		18.89	-	-	18.89
Employee benefits expenses	B	572.91	(4.73)	-	568.18
Finance costs		412.20	-	29.12	441.32
Depreciation and amortization expense	E	437.45	(0.01)	42.27	479.71
Other expenses	E	463.79	0.01	(27.50)	436.30
Total Expenses		**5,146.64**	**(4.73)**	**43.89**	**5,185.80**
Profit Before Tax		**529.25**	**4.34**	**(43.89)**	**489.70**
<u>Tax Expenses</u>					-
Current tax		(405.72)	-	-	(405.72)
Minimum alternate tax credit entitlement		77.06	-	-	77.06
Excess provision for tax written back		-	-	9.40	9.40
Deferred tax	B / G	(169.64)	(1.64)	(13.00)	(184.28)
Profit for the year		**30.96**	**2.70**	**(47.49)**	**(13.84)**
Other Comprehensive Income					
<u>Items that will not be reclassified to profit or loss</u>					
(a) Loss on remeasurement of defined benefit plans		-	4.73	-	4.73
(b) tax effect on above		-	(1.64)	-	(1.64)
Total Comprehensive income for the year	B	**-**	**3.09**	**-**	**3.09**
Total Comprehensive income after tax for the year		**30.96**	**(0.39)**	**(47.49)**	**(16.93)**

2.2.2 Reconciliation of profit and loss for year ended 31 March 2015 (Proforma) ***₹ in million***

	Note No.	For year ended 31 March 2015			
		Previous GAAP	Effect of Ind AS Transition	Restated Adjustments	Restated Ind AS
REVENUE					
Revenue from operations		5,123.44	-	-	5,123.44
Other income	A	22.10	(0.14)	3.63	25.59
Total Income		**5,145.54**	**(0.14)**	**3.63**	**5,149.03**

EXPENSES					
Operating expenses for drilling and workover		3,025.93	-	-	3,025.93
Manufacturing expenses		1.48	-	-	1.48
Employee benefits expenses	B	584.75	(3.14)	-	581.61
Finance costs		442.72	-	27.18	469.90
Depreciation and amortization expense	C	446.78	(0.01)	17.34	464.11
Other expenses	C	341.60	0.01	(27.17)	314.45
Total Expenses		**4,843.26**	**(3.14)**	**17.35**	**4,857.47**
PROFIT BEFORE TAX		**302.28**	**3.00**	**(13.72)**	**291.56**
Tax Expenses					
Current tax		(167.30)	-	-	(167.30)
Minimum alternate tax credit entitlement		66.55	-	-	66.55
Deferred tax	B / G	(31.69)	(0.80)	(38.07)	(70.56)
Excess/ (short) provision for tax in respect of earlier years		10.47	-	(3.20)	7.27
Profit for the year		**180.33**	**2.20**	**(54.99)**	**127.52**
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
(a) Loss on remeasurement of defined benefit plans		-	3.14	-	3.14
(b) tax effect on above		-	(0.80)	-	(0.80)
Total Comprehensive income for the year	B	**-**	**2.34**	**-**	**2.34**
Total Comprehensive income after tax for the year		**180.33**	**(0.14)**	**(54.99)**	**125.18**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

First time Ind AS adoption reconciliations *(continued)* ***₹ in million***

2.3 Total equity reconciliation:

Particulars	Notes	As at 31 March 2016	As at 31 March 2015 (Proforma)
Total equity (Shareholders' funds) under Previous GAAP		**4,608.83**	**4,667.69**
Dividends (Including dividend distribution tax) not recognised as liability until declared under Ind AS	F	89.81	68.69
Effect of measuring investments at fair value	A	0.21	0.60
Total equity under Ind AS		**4,698.85**	**4,736.98**
Deferred tax liability	G	(242.94)	(214.74)
Restated total equity		**4,455.91**	**4,522.24**
Restated adjustments		(154.92)	(107.41)
Restated total equity		**4,300.99**	**4,414.83**

2.4 Total Comprehensive income reconciliation:

Particulars	Note No.	As at 31 March 2016	As at 31 March 2015 (Proforma)
Profit reported under the Previous GAAP		**325.69**	**281.08**
Tax Adjustment of earlier years	D	(294.74)	(100.75)
Adjusted net profit as per Previous GAAP		**30.95**	**180.33**
Effect of measuring investments at fair value	A	(0.39)	(0.14)
Effect of loss on remeasurement of defined benefit plan	B	3.09	2.33
Net profit for the year as per Ind AS		**33.65**	**182.52**
Other comprehensive income (net of tax)	E	(3.09)	(2.34)
Total comprehensive income as per Ind AS		**30.56**	**180.18**
Deferred tax liability	G	(28.20)	(42.83)
Restated total Comprehensive income as per Ind AS		**2.36**	**137.35**
Restated Adjustment as per statement of profit and loss		(47.49)	(54.99)
Restated total Comprehensive income		**(45.13)**	**82.36**

Note: Under previous GAAP, total comprehensive income was not reported . Therefore, the above reconciliation starts with profit under the previous GAAP

2.5 Effect of Ind AS adoption on the Restated Standalone Summary Statement of Cash Flows for the year ended 31 March 2016 :

There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

Notes to the reconciliations

A. Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, Non-current investment (other than investments in subsidiaries and associate) are measured at fair value through profit or loss. Consequently, the difference as at April 1, 2014 and for the year ended 31st March, 2015, respectively between carrying value as per previous GAAP and fair value, have been accounted for.

B.	Under previous GAAP, actuarial gain and (loss) on employees defined benefit obligations were recognised in profit or loss. Under Ind AS, actuarial gains and losses on remeasurment of net defined benefit obligations are recognised in Other Comprehensive Income.
C.	Under previous GAAP, leasehold lands were capitalized under fixed assets and depreciated over the lease term. Under Ind AS, these have to be assessed as to whether they are in the nature of an operating lease or a financing lease, basis the terms and conditions in the lease agreement. Consequently, leasehold lands in the nature of operating leases have been presented as prepaid non-current/ current asset as applicable. The erstwhile amortization is presented as lease rent expense. Therefore, this has been reclassified as at April 1, 2014 and March 31, 2015 respectively from property plan and equipment to prepaid non-current/ current asset.
D.	Tax Adjustment represents short provision of current tax in respect of earlier years being tax expenses in respect of foreign branch.
E	Under Ind AS, specified items of income, expense, gains and losses are presented under OCI which was not a requirement under previous GAAP.
F	Under previous GAAP, proposed dividends were recognised as a provision in the financial statements, even if declared after the balance sheet date being an adjusting event. Under Ind AS, dividends are recognised when approved by the shareholders in the Annual General Meeting.
G	The Company capitalized exchange rate differences arising on long-term borrowings on acquisition of various items of PPE, as permitted under Paragraph 46A of the erstwhile Accounting Standard 11 (AS 11) “The Effects of Changes in Foreign Exchange Rates”. Effective April 1, 2016, the Company transitioned to Indian Accounting Standards (‘Ind AS’) with transition date as at April 1,2015. Ind AS 101 – “First Time Adoption of Indian Accounting Standard” permits the Company to continue capitalizing the exchange differences as required under the aforesaid paragraph of AS 11. The Income Tax Law permits such capitalization only in respect of realised exchange differences. The Company had therefore treated adjustments to carrying value of fixed assets attributable to such exchange rate differences as a permanent difference and did not create deferred tax liability thereon. Subsequent to March 31, 2017, the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India (ICAI) issued ITFG-8, which clarified that the Company must recognize deferred tax liability on the transition date i.e. April 1, 2015 on exchange rate differences capitalized under Paragraph 46A of erstwhile AS 11. The Company in its audited financial statements for the year ended March 31, 2017 has not given impact of the ITFG-8 and has now accounted the same in these restated financial statements with a corresponding adjustment in the opening reserves as at April 1, 2015 for an amount of ₹214.74 million and for ₹ 28.20 million in FYs 2015-16 in accordance with Ind AS 8 - “Accounting Policies, Changes in Accounting Estimates and Errors”.

First time Ind AS adoption reconciliations *(continued)*

2.6 Total equity reconciliation as at March 31, 2015-Proforma

The Proforma financial information of the Company as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads have been made in the standalone proforma financial information.

This standalone proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note. The impact of Ind AS 101 on the equity under Indian GAAP as at March 31, 2015 and the impact on the profit or loss for the year ended March 31, 2015 due to the Ind- AS principles applied on proforma basis during the year ended March 31, 2015 can be explained as under:

₹ in million

Particulars	Note No. as stated in 2	As at 31 March 2015 (Proforma)
Total equity (Shareholders' funds) under Previous GAAP		**4,667.69**
Proforma adjustments		
Dividends (Including dividend distribution tax) not recognised as liability until declared under Ind AS	F	68.69
Effect of measuring investments at fair value	A	0.60
Total equity under Ind AS- Proforma		**4,736.98**
Deferred tax liability	G	(214.74)
Restated total equity under Ind AS- Proforma		**4,522.24**
Restated Adjustments		(107.41)
Total equity under Ind AS- as at April 1, 2015- Date of transition *		**4,414.83**

* Refer to note 2.3

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Note 3.1: Property, plant and equipment and Capital work-in-progress

For six months period ended 30 September,2017 ***₹ in million***

Property, Plant and Equipment (PPE)	Gross Carrying Amount (Cost / Deemed cost)				Depreciation				Net Carrying Amount
	As at 1 April 2017	Additions	Deductions	As at 30 September 2017	As at 1 April 2017	Charge during the year	Deductions	As at 30 September 2017	As at 30 September 2017
Tangible Assets									
Freehold land	10.38	-	-	10.38	-	-	-	-	10.38
Building and roads	38.70	-	-	38.70	2.77	0.72	-	3.49	35.21
Plant and machineries	8,847.96	1,836.60	4.28	10,680.28	893.79	262.75	0.41	1,156.13	9,524.15
Electric installations	1.49	-	-	1.49	0.64	0.14	-	0.78	0.71
Furniture and fixtures	8.72	0.05	-	8.77	3.36	0.81	-	4.17	4.60
Office equipments	30.63	0.33	-	30.96	17.04	4.15	-	21.19	9.77
Computers	3.59	0.62	-	4.21	2.38	0.45	-	2.83	1.37
Vehicles	44.62	0.06	-	44.68	13.43	3.48	-	16.91	27.77
	8,986.08	**1,837.66**	**4.28**	**10,819.47**	**933.41**	**272.50**	**0.41**	**1,205.50**	**9,613.96**
Capital work-in-progress									**108.27**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

For the year ended 31 March, 2017 ***₹ in million***

Property, Plant and Equipment (PPE)	Gross Carrying Amount (Cost / Deemed cost)				Depreciation					Net Carrying Amount
	As at 1 April 2016	Additions	Deductions	As at 31 March 2017	Upto 31 March 2016	Charge during the year	Transition adjustments	Deductions	Upto 31 March 2017	As at 31 March 2017
Freehold land	10.38	-	-	10.38	-	-	-	-	-	10.38
Building and roads	37.01	1.70	-	38.70	1.34	1.43	-	-	2.77	35.93
Plant and equipment [Refer note (a) below]	8,756.22	118.70	26.97	8,847.96	454.76	442.81	-	3.77	893.79	7,954.16
Electric installation	1.49	-	-	1.49	0.32	0.32	-	-	0.64	0.85
Furniture and fixtures	8.72	-	-	8.72	1.73	1.63	-	-	3.36	5.35
Office equipments	28.57	2.07	-	30.63	8.42	8.62	-	-	17.04	13.59
Computers	2.86	0.85	0.13	3.59	1.58	0.92	-	0.12	2.37	1.21
Vehicles	35.65	9.46	0.49	44.62	6.48	7.21	-	0.26	13.43	31.19
TOTAL	**8,880.89**	**132.78**	**27.59**	**8,986.08**	**474.62**	**462.94**	**-**	**4.15**	**933.42**	**8,052.66**
Capital work-in-progress [Refer note (a) below]										**1,776.04**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Note 3.1: Property, plant and equipment and Capital work-in-progress *(Continued)*

For the year ended 31 March 2016 ***₹ in million***

Property, Plant and Equipment (PPE)	Gross Carrying Amount (Cost / Deemed cost)				Depreciation					Net Carrying Amount
	As at 1 April 2015	Additions	Deductions	As at 31 March 2016	Upto 31 March 2015	Charge during the year	Transition adjustments	Deductions	Upto 31 March 2016	As at 31 March 2016
Tangible Assets										
Freehold land	10.38	-	-	10.38	-	-	-	-	-	10.38
Building and roads	37.59	0.74	1.33	37.01	-	1.40	-	0.06	1.34	35.66
Plant and equipment [Refer note (a) below]	8,516.99	266.68	27.44	8,756.22	-	458.56	-	3.80	454.76	8,301.47
Electric installation	1.49	-	-	1.49	-	0.32	-	-	0.32	1.17
Furniture and fixtures	8.67	0.04	-	8.72	-	1.73	-	-	1.73	6.98
Office equipments	26.40	2.34	0.18	28.57	-	8.48	-	0.06	8.42	20.14
Computers	2.01	1.23	0.37	2.86	-	1.91	-	0.33	1.58	1.29
Vehicles	35.72	0.94	1.01	35.65	-	7.12	-	0.64	6.48	29.17
TOTAL	**8,639.25**	**271.97**	**30.33**	**8,880.89**	**-**	**479.52**	**-**	**4.89**	**474.61**	**8,406.26**
Capital work-in-progress [Refer note (a) below]										**439.61**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

For the year ended 31 March 2015 (Proforma) ***₹ in million***

Property, Plant and Equipment (PPE)	Gross Carrying Amount (Cost / Deemed cost)				Depreciation					Net Carrying Amount
	As at 1 April 2014	Additions	Deductions	As at 31 March 2015	Upto 31 March 2014	Charge during the year	Transition adjustments	Deductions	Upto 31 March 2015	As at 31 March 2015
Freehold land	10.38	-	-	10.38	-	-	-	-	-	10.38
Building and roads	38.79	0.19	-	38.98	-	1.39	-	-	1.39	37.59
Plant and equipment [Refer note (a) below]	8,604.42	497.62	6.51	9,095.53	-	433.59	145.23	0.28	578.54	8,516.99
Electric installation	1.76	0.03	-	1.79	-	0.30	-	-	0.30	1.49
Furniture and fixtures	10.35	0.15	-	10.50	-	1.83	-	-	1.83	8.67
Office equipments	14.89	18.82	0.42	33.29	-	6.94	-	0.05	6.89	26.40
Computers	3.75	1.34	-	5.09	-	1.65	1.43	-	3.08	2.01
Vehicles	35.65	10.27	2.00	43.92	-	8.10	1.29	1.19	8.20	35.72
TOTAL	**8,719.99**	**528.42**	**8.93**	**9,239.48**	**-**	**453.80**	**147.95**	**1.52**	**600.23**	**8,639.25**
Capital work-in-progress [Refer note (a) below]										**-**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Note 3.1: Property, plant and equipment and Capital work-in-progress *(Continued)*

The Company has availed the deemed cost exemption in relation to the PPE on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2014 under the previous GAAP.

₹ in million

Property, Plant and Equipment (PPE)	As at 1 April 2014		
	Gross Block (At cost)	Accumulated Depreciation	Net Block
Freehold land	10.38	-	10.38
Building and roads	49.14	10.35	38.79
Plant and equipment [Refer note (a) below]	10,451.52	1,847.10	8,604.42
Electric installation	3.16	1.40	1.76
Furniture and fixtures	17.99	7.64	10.35
Office equipments	25.84	10.95	14.89
Computers	17.44	13.69	3.75
Vehicles	58.46	22.81	35.65
TOTAL	**10,633.93**	**1,913.94**	**8,719.99**

The Proforma financial information of the Company as at and for the year ended March31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/ HO/ CFD/ DIL/ CIR/ P/ 2016/ 47 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 16) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads has been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note, accordingly difference would arise in the Opening balance of Plant, Property & Equipment as at April 1, 2015.

Notes:

a) Additions to plant and equipment and capital work-in-progress include exchange loss of ₹8.64 million (2016-17 exchange gain of ₹26.47 million, 2015-16 exchange loss of ₹130.17 million and 2014-15 of ₹100.24 million) and borrowing cost of ₹4.96 million (2016-17: ₹38.53 million, 2015-16: ₹30.81 million and 2014-15: ₹ 7.2 millionl)

b) Pursuant to the Companies Act, 2013 ('the Act'), becoming effective from 1st April, 2014, the Company has reworked depreciation with reference to the estimated useful lives of fixed assets prescribed under Schedule II to the Act. As a result, the charge for depreciation is higher by ₹57.17 million for the year ended 31st March, 2015. Further, based on transitional provision in Note 7(b) of Schedule II, an amount of ₹97.76 million (net of deferred tax of ₹50.34 million) has been adjusted against the retained earnings.

c) For details of assets given as security against borrowings, Refer note 17.

d) Amount of contractual commitments for the acquisition of PPE, Refer note 34

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Note 3.2: Intangible assets

₹ in million

For six months period ended 30 September 2017

	Gross Carrying Amount (Deemed cost)				Amortisation					Net Carrying
	As at 1 April 2017	Additions	Deductions	As at 30 September 2017	As at 1 April 2017	Charge during the year	Deductions	Loss/ Adjustment*	As at 30 September 2017	As at 30 September 2017
Softwares	0.60	-	-	0.60	0.40	0.07	-	-	0.47	0.13
Goodwill	-			-	-	-			-	-
TOTAL	**0.60**	**-**	**-**	**0.60**	**0.40**	**0.07**	**-**	**-**	**0.47**	**0.13**

For the year ended 31 March 2017

	Gross Carrying Amount (Cost / Deemed cost)				Amortisation					Net Carrying
	As at 1 April 2016	Additions	Deductions	As at 31 March 2017	Upto 31 March 2016	Charge during the year	Transition adjustment	Deductions	Upto 31 March 2017	As at 31 March 2017
Softwares	0.60	-	-	0.60	0.19	0.21			0.40	0.20
Goodwill	-			-	-				-	-
TOTAL	**0.60**	**-**	**-**	**0.60**	**0.19**	**0.21**	**-**	**-**	**0.40**	**0.20**

For the year ended 31 March 2016

	Gross Carrying Amount (Cost / Deemed cost)				Amortisation					Net Carrying
	As at 1 April 2015	Additions	Deductions	As at 31 March 2016	Upto 31st March, 2015	Charge during the year	Transition adjustment	Deductions	Upto March 31, 2016	As at 31 March 2016
Softwares	0.35	0.25	-	0.60	-	0.19	-	-	0.19	0.41
Goodwill	-	-	-	-	-	-	-	-	-	-
TOTAL	**0.35**	**0.25**	**-**	**0.60**	**-**	**0.19**	**-**	**-**	**0.19**	**0.41**

For the year ended 31 March 2015 (Proforma)

Description	Gross Carrying Amount (Cost / Deemed cost)	Amortisation	Net Carrying

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Intangible Assets	As at 1 April 2014 (Refer note)	Additions	Deductions	As at 31 March 2015	Upto 31 March 2014 (Refer note)	Charge during the year	Transition adjustment	Deductions	Upto 31 March 2015	As at 31 March 2015
Softwares	1.07	-	-	1.07	-	0.58	0.14	-	0.72	0.35
Goodwill	9.74	-	-	9.74	-	9.74	-	-	9.74	-
TOTAL	**10.81**	**-**	**-**	**10.81**	**-**	**10.32**	**0.14**	**-**	**10.46**	**0.35**

The Company has availed the deemed cost exemption in relation to the Intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2014 under the previous GAAP.

Intangible assets	As at 1 April 2014		
	Gross Block (At Cost)	Accumulated Amortisation	Net Block
Softwares	5.83	4.76	1.07
Goodwill	48.74	39.00	9.74
TOTAL	**54.57**	**43.76**	**10.81**

The Proforma financial information of the Company as at and for the year ended March31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/ HO/ CFD/ DIL/ CIR/ P/ 2016/ 47 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 16) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads has been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note, accordingly difference would arise in the Opening balance of Plant, Property & Equipment as at April 1, 2015

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
4	**Non-current financial asset - Investments**				
4.1	**Investments in subsidiaries:**				
	In Equity Shares (Unquoted and carried at amortised cost)				
	Fully paid up equity shares of ₹10 each				
	50,000 shares in Synergy Drilling Fluids Private Limited	0.50	0.50	0.50	0.50
	50,000 shares in John Drilling Services Private Limited	0.50	0.50	0.50	0.50
	Fully paid up equity shares of AED.1,000 each				
	200 shares in John Energy International DMCC	3.37	3.37	3.37	3.37
		4.37	**4.37**	**4.37**	**4.37**
4.2	**Investments in Others:**				
	(Quoted, carried at the fair value through profit and loss account)				
	Fully paid up equity shares of ₹10 each				
	4,000 shares of Bank of India Limited	0.55	0.56	0.39	0.78
		0.55	**0.56**	**0.39**	**0.78**
	TOTAL	**4.92**	**4.93**	**4.76**	**5.15**
4.3	Aggregate cost of:				
	Quoted investments	0.18	0.18	0.18	0.18
	Unquoted investments	4.37	4.37	4.37	4.37
		4.55	**4.55**	**4.55**	**4.55**
4.4	Market value of quoted investments	0.55	0.56	0.39	0.78
4.5	Aggregate value of investments				
	(a) In equity instruments of subsidiaries (at previous GAAP value as deemed cost))				
	Carrying amount as per previous year's GAAP	4.37	4.37	4.37	4.37
	Fair Value Adjustment	-	-	-	-
	Carrying amount as per Ind AS	4.37	4.37	4.37	4.37
	(b) In others at fair value through profit or loss (FVTPL)				
	Carrying amount as per previous year's GAAP (as on 31 March 2015)	0.56	0.39	0.78	0.18
	Fair Value Adjustment	(0.01)	0.17	(0.39)	0.60
	Carrying amount as per Ind AS	0.55	0.56	0.39	0.78

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
5	**Non-Current Financial Assets- Others**				
	(Unsecured, considered good)				

	Deposits	3.16	5.19	4.04	4.30
	TOTAL	**3.16**	**5.19**	**4.04**	**4.30**

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
6	**Non-Current- Advance tax assets (net)**				
	Advance tax (net of provision)	148.01	119.91	87.49	159.65
	MAT credit entitlement	-	447.26	447.26	360.81
	TOTAL	**148.01**	**567.17**	**534.75**	**520.46**

Note No.	Particulars	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
7	**Other Non-Current Asset**				
	(Unsecured, considered good)				
	Capital advances	18.61	1.76	109.94	121.95
	Other loans and advances [Refer note 7.1]	41.09	14.37	18.53	85.39
	Prepayments under operating leases	0.83	0.83	0.85	0.86
	Deposits	0.33	-	-	-
	TOTAL	**60.86**	**16.96**	**129.32**	**208.20**
7.1	Other loans and advances includes prepaid expense, service tax paid under protest, etc.				

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
8	**Inventories**				
	Stores and spares	727.32	764.61	721.35	655.48
	TOTAL	**727.32**	**764.61**	**721.35**	**655.48**
8.1	Cost of materials consumed during the period / year is ₹ 302.83 million (31 March 2017: ₹ 605.39 million, 31 March 2016: ₹ 531.12 million, 31 March 2015: ₹ 511.44 million).				
8.2	Inventories of ₹ Nil (31 March 2017: ₹ 158.58 million, 31 March 2016: ₹ 111.29 million; as at 31 March 2015: ₹ 75.66 million) are expected to be used after more than twelve months.				

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
9	**Current Financial Asset- Trade Receivables**				
	(Unsecured)				
	Considered Good- Others	910.29	935.10	946.71	1,014.84
	Considered Doubtful	-	-	-	8.20
		910.29	935.10	946.71	1,023.04
	Less: Provisions	-	-	-	8.20
	TOTAL	**910.29**	**935.10**	**946.71**	**1,014.84**

Note No.	Particulars	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
10	**Current Financial Asset**				
10.1	**Cash and cash equivalents**				
	Cash on hand	2.46	0.71	0.76	0.44
	Balances with banks in current accounts	173.81	522.26	396.11	349.30
	TOTAL	**176.27**	**522.97**	**396.87**	**349.74**
10.2	**Bank balance other than 10.1 above**				
	Balances in bank deposit and margin monies accounts [Refer note 10.3 and 10.4]	248.84	242.72	213.23	166.78
	TOTAL	**248.84**	**242.72**	**213.23**	**166.78**
10.3	Deposits/ margin monies include ₹ Nil (31 March 2017: ₹ 32.84 million; 31 March 2016: ₹ 19.59 million, 31 March 2015: ₹ 19.76 million) with maturity of more than 12 months.				
10.4	Deposits/ margin monies include ₹ 218.22 million (31 March 2017: ₹ 226.69 million; 31 March 2016: ₹ 194.78 million, 31 March 2015: ₹ 156.85 million) on which banks have a lien against bank guarantees.				

Note No.	Particulars	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
11	**Current Financial Assets- Loans**				
	(Unsecured, considered good)				
	Loans and advances to related parties [Refer note 39]	-	26.58	27.20	28.76
	TOTAL	**-**	**26.58**	**27.20**	**28.76**

Note No.	Particulars	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
12	**Current Financial Assets - Others**				
	(Unsecured, considered good)				
	Unbilled revenue	265.07	357.39	495.22	596.86
	Deposits	1.52	-	-	-
	Interest accrued on fixed deposits	5.22	4.80	3.84	7.31
	Interest accrued on loans to related parties [Refer note 39]	5.85	5.41	3.36	-
	Receivable for assets disposed (refer note 2)	2.89	-	-	-
	Guarantee fees receivable [Refer note 39]	49.42	63.50	54.77	-
	TOTAL	**329.97**	**431.10**	**557.19**	**604.17**

Note No.	Particulars	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
13	**Other current assets**				
	(Unsecured, considered good)				
	Advance to vendors	83.98	34.91	26.17	21.68
	Other loans and advances [Refer note 13.1]	169.70	106.15	59.50	58.04
	Income tax refund receivables	67.67	67.67	86.99	-
	Prepayments under operating leases	0.01	0.01	0.01	0.01
	TOTAL	**321.36**	**208.74**	**172.67**	**79.73**
13.1	Other loans and advances includes prepaid expenses and input credit receivables.				

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
14	**Equity Share Capital**				
	Authorised:				
	39,556,030 equity shares of ₹10 each	395.56	-	-	-
	30,556,000 equity shares of ₹10 each	-	305.56	305.56	305.56
	TOTAL	**395.56**	**305.56**	**305.56**	**305.56**
	Issued, Subscribed and Fully Paid Up:				
	18,367,454 equity shares of ₹10 each (As at 31 March 2017: 18,367,454; 31 March 2016: 17,546,487 and 31 March 2015: 17,546,487)	183.67	183.67	175.46	175.46
	(Refer Note 14.3) **TOTAL**	**183.67**	**183.67**	**175.46**	**175.46**

14.1 820,967 equity shares of ₹10 each were issued on conversion of 900,003 nos. 0.05% Optionally Convertible Cumulative Redeemable Preference Shares (Series-V) of ₹100 each on 31 July 2016 pursuant to Share Subscription Agreement between the Company and the preference shareholder₹ Accordingly, the authorised share capital of the Company has been reclassified from ₹395.56 million comprising of 30,556,000 equity shares of ₹10 each and 900,003 Optionally Convertible Cumulative Redeemable Preference shares of ₹100 each, to ₹395.56 million comprising of 39,556,030 equity shares of ₹10 each.

Each holder of the equity shares is entitled to one vote per share and in the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Note No.	**Details of shareholding in excess of 5% :** **Names of the equity shareholders**	**No. of shares and % of holding**	**No. of shares and % of holding**	**No. of shares and % of holding**	**No. of shares and % of holding**
14.2	Maheshkumar N. Vyas	3,848,485 20.95%	3,848,485 20.95%	3,848,485 21.93%	3,848,485 21.93%
	Rakesh Radheshyam Jhunjhunwala	3,345,169 18.21%	3,345,169 18.21%	3,345,169 19.06%	3,345,169 19.06%
	India Rig Company	2,859,867 15.57%	2,859,867 15.57%	2,859,867 16.30%	2,859,867 16.30%
	John Oil and Gas Limited	2,283,940 12.43%	2,283,940 12.43%	2,283,940 13.02%	2,283,940 13.02%
	Dilipkumar Vyas	1,180,355 6.43%	1,180,355 6.43%	1,180,355 6.73%	1,180,355 6.73%
	Chirag Vyas	941,960 5.13%	941,960 5.13%	941,960 5.37%	941,960 5.37%

Note No.	**Reconciliation of the number of shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**
14.3	**Equity shares**				
	At the beginning of the year	18,367,454	17,546,487	17,546,487	17,546,487
	Add: Issued on conversion of OCCRPS Series-V during the period / year	-	820,967	-	-
	At the end of the period / year	**18,367,454**	**18,367,454**	**17,546,487**	**17,546,487**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
15	**Preference Share Capital**				
	Authorised:				
	9,00,003 Optionally Convertible Cumulative Redeemable Preference Shares Series-V (OCCRPS) of ₹100 each	-	90.00	90.00	90.00
	TOTAL	**-**	**90.00**	**90.00**	**90.00**
	Issued, Subscribed and Fully Paid Up:				
	Nil 0.05% Optionally Convertible Cumulative Redeemable Preference Shares Series-V of ₹100 each # (As at 31 March 2017: Nil; 31 March 2016: 900,003; 31 March 2015: 900,003) [Refer Note 15.3]	-	-	90.00	90.00
	TOTAL	**-**	**-**	**90.00**	**90.00**

Issued in terms of share subscription agreement and were optionally convertible as per the terms, defined under the share subscription agreement.

15.1 Preference shareholders were entitled to receive dividend at the specified rate. If no dividend is declared, the entitlement is cumulated. Preference shareholders were not entitled to vote. Upon conversion of all or any portion of the OCCRPS to equity shares, the resultant equity shares shall rank pari-passu with the equity shares existing on date of conversion.

Note No.					
15.2	Details of shareholding in excess of 5% :	**No. of shares and % of holding**	**No. of shares and % of holding**	**No. of shares and % of holding**	**No. of shares and % of holding**
	Name of the Shareholders - OCCRPS Series-V				
	ICICI Bank Limited	-	-	900,003	900,003
		-	-	100.00%	100.00%
15.3	Reconciliation of the number of shares	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**
	0.05% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) (Series-V)				
	At the beginning of the period / year	-	900,003	900,003	900,003
	Less: Converted to equity shares during the period / year	-	900,003	-	-
	At the end of the period / year	-	-	900,003	900,003

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
16	**Other Equity**				
a)	Securities Premium Reserve	2,700.36	2,700.36	2,618.57	2,618.57
b)	Capital Redemption Reserve	110.27	110.27	110.27	110.27
c)	General Reserve	65.42	65.42	65.42	65.42
d)	Retained Earnings	1,996.91	2,064.36	1,755.12	1,837.65
e)	Other comprehensive income	(11.31)	(9.15)	(5.43)	(2.33)
	TOTAL	**4,861.65**	**4,931.26**	**4,543.95**	**4,629.58**

16.1 Description of nature and purpose of each reserve:

a) Securities premium reserve represents premium received inequity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

b) Capital redemption reserve was created out of general reserve on redemption of preference shares in the financial year 2013-14. This reserve can be utilised by the Company for issue of bonus shares as per provisions of Companies Act, 2013.

c) General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
17	**Non-Current Financial Liabilities- Borrowings**				
	(Secured)				
	Term Loans				
	From banks (Refer note 17.1 and 17.4)	2,376.17	2,734.36	2,158.61	2,419.87
	From financial institution (Refer note 17.2 and 17.4)	22.72	41.55	33.18	-
		2,398.89	**2,775.91**	**2,191.79**	**2,419.87**
	Other loans and advances				
	From banks (Refer note 17.3 and 17.4)	6.25	7.46	7.16	11.24
	TOTAL	**2,405.14**	**2,783.37**	**2,198.95**	**2,431.11**

17.1 Term loans from banks including current maturities thereof [Refer note 23] are secured by hypothecation of movable assets of the Company, including machinery spares, tools and accessories, escrow accounts for certain rigs and personal guarantees of certain Directors and others. Term loans are further secured by :

-First Charge over the fixed assets and its equipment's created out of Bank's finance.
-Second Charge on current assets
-Equitable mortgage of residential properties belonging to the promoter directors, office premises and freehold land of the company and John Oil and Gas Limited, assignment of key man insurance policies as pledge and lien on bank deposits
-Personal Guarantees of Promoter Directors and their relatives
-Corporate Guarantee of John Oil & Gas Limited

17.2 Terms loans from financial institution including current maturities thereof [Refer note 23] are secured by hypothecation of the equipment purchased their against.

17.3 Vehicle loans from banks including current maturities thereof [Refer note 23] are secured by hypothecation of the vehicles financed.

17.4 Rate of interest ranges from 5% to 15% p.a and Maturity profile of long term borrowings is set out below:

Maturity Profile of Term loans and other loans and advances	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
Less then one year (refer note 23)	853.52	724.07	758.77	925.84
1-2 years	735.35	807.64	716.88	688.46
2-3 years	240.52	463.38	750.65	665.23
Beyond 3 years	1,429.27	1,512.35	731.42	1,077.42

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
18	**Non current financial liabilities- Others**				
	Derivatives not designated in hedging relationship	77.10	43.52	-	-
	TOTAL	**77.10**	**43.52**	**-**	**-**

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
19	**Non-Current Provisions**				
	For employee benefits				
	Compensated absences	3.44	2.76	2.64	1.59
	TOTAL	**3.44**	**2.76**	**2.64**	**1.59**

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
20	**Deferred Tax Liabilities (Net)**				
	Deferred Tax Liabilities :				
	Differences between tax and books written down values of PPE	1,373.36	1,393.07	1,304.38	1,157.94
	Unrealised exchange rate differences	17.63	-	-	-
	Investments at fair value through profit or loss	5.24	-	-	-
		1,396.23	**1,393.07**	**1,304.38**	**1,157.94**
	Deferred Tax Assets :				
	MAT credit entitlement	(447.26)	-	-	-
	Unabsorbed depreciation	-	-	-	(38.13)
	Provision for doubtful debts/ advances	-	-	-	(5.19)
	Disallowance u/s 43B of the Income-tax Act, 1961, etc.	(23.61)	(22.48)	(21.64)	(14.52)
		(470.87)	**(22.48)**	**(21.64)**	**(57.84)**
	Deferred Tax Liabilities (Net)	**925.36**	**1,370.59**	**1,282.74**	**1,100.10**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
21	**Current Financial Liabilities- Borrowings**				
	Loans repayable on demand				
	From Banks *(Secured)*				
	Working capital demand loans [Refer note 21.1 and 21.2]	**1,371.42**	**1,282.35**	**1,306.09**	**1,220.68**
	Others *(Unsecured)*				
	From directors [Refer note 21.2 and 39]	141.40	141.40	141.40	141.40
	From others [Refer note 21.2]	31.00	31.00	31.00	31.00
		172.40	**172.40**	**172.40**	**172.40**
	TOTAL	**1,543.82**	**1,454.75**	**1,478.49**	**1,393.08**

21.1 Working capital loans repayable on demand are secured by first charge on pari passu basis on all the chargeable current assets and second charge on pari passu basis on all the movable fixed assets of the company and personal guarantee of certain directors and others. Working capital loans are also secured by:
-First Charge over the fixed assets and its equipment's created out of Bank's finance.
-Second Charge on current assets
-Equitable mortgage of residential properties belonging to the promoter directors, office premises and freehold land of the company and John Oil and Gas Limited, assignment of key man insurance policies as pledge and lien on bank deposits
-Personal Guarantees of Promoter Directors and their relatives
-Corporate Guarantee of John Oil & Gas Limited

21.2 Rate of interest ranges from 10% to 15% p.a

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
22	**Current Financial Liabilities - Trade Payables**				
	Total outstanding dues of micro enterprises and small enterprises [Refer note 22.1]	-	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,556.24	1,604.79	1,465.68	1,260.58
	TOTAL	**1,556.24**	**1,604.79**	**1,465.68**	**1,260.58**

22.1 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

a) An amount of ₹Nil (as at 31st March, 2017: ₹Nil, as at 31st March, 2016: ₹Nil, as at 31st March,2015 : ₹ Nil) and ₹Nil (as at 31st March, 2017: ₹ Nil, as at 31st March, 2016: ₹ Nil, as at 31stMarch, 2015 : ₹ Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

b) No interest was paid during the year in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.

₹ in million

c)	No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.
d)	No amount of interest was accrued and unpaid at the end of the accounting year.
e)	No interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowances as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.
	Note: The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
23	**Current Financial Liabilities - Others**				
	Current maturities of long-term debt [Refer note 17]	853.52	724.07	758.77	925.84
	Interest accrued but not due on borrowings	33.65	30.94	48.53	41.36
	Capital creditors	61.44	30.72	74.88	42.76
	For employee benefits- Gratuity [Refer note 38]	-	53.81	39.63	28.19
	Derivatives not designated in hedging relationship	2.18	3.29	-	-
	TOTAL	**950.79**	**842.83**	**921.81**	**1,038.15**

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
24	**Current Liabilities- Provisions**				
	For employee benefits:				
	-Compensated absences	1.33	1.06	0.44	0.54
	For employee benefits- Gratuity [Refer note 38]	61.87	-	-	-
	TOTAL	**63.20**	**1.06**	**0.44**	**0.54**

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
25	**Other current liabilities**				
	Statutory dues [Refer note 25.1]	82.95	30.05	19.61	26.25
	TOTAL	**82.95**	**30.05**	**19.61**	**26.25**
25.1	Statutory dues includes payables in respect of Goods and Service Tax (GST), Provident fund, Tax deducted at source and others.				

Note No.		As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
26	**Current tax liability (Net)**				
	Provision for wealth tax	-	-	-	0.11
	Provision for taxation (net of advance tax)	-	306.32	374.60	130.66
	TOTAL	**-**	**306.32**	**374.60**	**130.77**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
27	**Revenue From Operations**				
	Oil drilling and exploration services	2,274.95	5,718.25	5,575.00	5,107.89
	Sale of rig accessories	3.20	34.57	12.94	13.42
	Sale of water rigs and allied equipments	4.68	14.54	24.00	2.13
	TOTAL	**2,282.83**	**5,767.36**	**5,611.94**	**5,123.44**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
28	**Other Income**				
	Interest Income on financial assets not designated as FVTPL				
	On bank deposits (at amortised cost)	7.81	17.54	14.81	13.38
	On income-tax refund	-	1.53	14.63	4.07
	On loans to related parties [Refer note 39]	0.39	2.13	2.18	1.12
		8.20	**21.20**	**31.62**	**18.57**
	Bank guarantee fees [Refer note 39]	5.02	9.97	22.39	-
	Excess provisions/ balances written back	-	15.75	5.42	-
	Exchange differences (net)	-	13.08	-	-
	Scrap sales	0.33	0.70	1.33	1.84
	Profit on sale/ disposal of PPE (net)	-	-	-	3.98
	Dividend income from Investment carried at FVTPL	-	-	0.02	-
	Gain/(Loss) on Investment carried at FVTPL	(0.01)	0.17	(0.39)	(0.14)
	Miscellaneous income	20.98	1.01	3.17	1.34
	TOTAL	**34.52**	**61.88**	**63.56**	**25.59**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
29	**Operating Expense for Drilling and Workover Rigs**				
	Rig site expenses:				
	a) Technical fees	35.24	79.36	150.40	123.56
	b) Manpower cost	110.53	526.38	628.53	367.31
	c) Catering and other site expense	138.68	411.49	463.23	454.54
	d) Equipment rentals [Refer note 35]	272.61	600.06	644.52	408.86
	e) Transportation	42.12	39.57	37.81	95.95
	f) Rent [Refer note 35]	17.53	43.20	51.33	45.99
		616.71	**1,700.06**	**1,975.82**	**1,496.21**

₹ in million

	Stores and spares consumed	298.72	592.89	513.75	510.62
	Power and fuel	285.75	443.19	369.29	254.77
	Rig movement expense	48.67	271.99	310.60	543.44
	Repairs and maintenance- Plant and equipment	31.94	55.10	39.80	58.05
	Rebates, settlements and liquidated damages	-	0.76	32.14	162.84
	TOTAL	**1,281.79**	**3,063.99**	**3,241.40**	**3,025.93**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
30	**Manufacturing Expenses**				
	Raw Material and Components (Indigenous)	4.11	12.51	17.37	0.82
	Other manufacturing expenses	0.60	1.72	1.52	0.66
	TOTAL	**4.71**	**14.23**	**18.89**	**1.48**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
31	**Employee Benefits Expenses**				
	Salaries, bonus and allowances	324.46	587.35	532.83	543.47
	Contributions to provident fund and other funds [Refer note 38]	16.80	25.11	22.90	22.93
	Staff welfare expenses	4.87	13.56	12.45	15.21
	TOTAL	**346.13**	**626.02**	**568.18**	**581.61**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
32	**Finance Costs**				
	Interest on term loan from banks [Refer note 32.1]	131.23	202.38	219.08	259.91
	Interest on working capital loans	69.45	142.89	175.69	163.53
	Other borrowing costs [Refer note 32.2]	25.87	57.02	46.55	46.46
	Exchange difference to the extent consider as an adjustment to borrowing cost	8.26	-	-	-
	TOTAL	**234.81**	**402.29**	**441.32**	**469.90**

32.1 Includes provisions for MTM loss on IRS contracts ₹ Nil (2016-17:₹6.7 million ,2015-16: Nil, 2014-15: Nil.)
32.2 Other borrowing costs includes bank charges, bank guarantee commissions, interest on delayed payments, etc.

Note No.		For six months period ended 30 September 2017 (Ind AS)	For year ended 31 March 2017 (Ind AS)	For year ended 31 March 2016 (Ind AS)	For year ended 31 March 2015 (Proforma Ind AS)
33	**Other Expenses**				
	Rent [Refer note 35]	9.92	18.96	15.12	15.33
	Rates and taxes	29.30	69.72	117.71	43.31
	Repairs and maintenance- Building	0.27	0.37	1.07	1.20
	Repairs and maintenance- Others	7.69	17.35	11.65	10.06
	Insurance	16.27	40.62	39.58	27.49
	Travelling and conveyance	48.94	120.41	96.47	87.23
	Legal and professional fees	1.89	11.71	15.25	18.76
	Communication expenses	4.30	16.01	20.86	17.15
	Vehicle expenses	9.95	33.41	16.01	18.04
	Loss on sale/ disposal of PPE (net)	0.98	9.62	16.11	-
	CSR donation [Refer note 42]	-	2.90	2.49	0.67
	Donation	0.13	6.28	0.69	0.79
	Exchange differences (net)	3.28	-	44.34	45.54
	Provision for doubtful debts	-	-	-	15.00
	Bad debts		32.94	28.37	-
	Provisions for MTM loss on derivative contracts	32.47	40.07	-	-
	Miscellaneous expenses	6.52	20.02	10.58	13.88
	TOTAL	**171.92**	**440.39**	**436.30**	**314.45**
33.1	**Payment to auditors'**				
	Audit fees	0.70	3.58	3.61	3.67
	As advisor or in any other capacity in respect of:				
	a) Taxation matters	-	0.28	0.73	-
	b) Company law matters	-	-	-	-
	b) In any other manner (certification work, etc.)	-	1.39	0.08	1.72
	For expenses	-	0.01	0.02	0.02
		0.70	**5.26**	**4.44**	**5.41**

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
34	**Contingent liabilities and Commitments:**				
34.1	**Contingent liabilities:**				
a)	Income tax demands disputed in appeals	114.46	-	-	-
	Pertains to disallowance of higher depreciation rate considered for AY 2002-03 to 2009-10 which was decided in favour of the Company by the Hon'ble Income Tax Appellate Tribunal (ITAT). However, the Department has preferred an appeal before the Hon'ble Gujarat High Court and the matter is pending hearing. Based on the opinion of the legal counsel of the Holding Company, the Management is confident of the outcome being in the favour of the Company and accordingly, no provision is required to be made in these interim consolidated financial statements. However, as a matter of abundant precaution, the aforesaid litigation is being disclosed as contingent as at the reporting date.				
	Primarily relates to disallowance of certain expense for assessment year 2013-14. The matter is pending before Income Tax Appellate Tribunal (ITAT) (excluding interest and penalty).	10.51	7.95	-	-
b)	Service tax demands disputed in appeals				
	Primarily relates to classification of services for period 2004 to 2010. The matter is pending before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.	36.61	34.51	34.51	38.55
	Note: In respect of above disputed demands, the Company is hopeful of succeeding in appeals and as such does not expect any significant liability to materialize.				
c)	Performance guarantees issued to clients	1,014.78	1,018.88	1,029.37	967.41
d)	Corporate guarantees given to bank for credit facility taken by its wholly owned subsidiary	1,339.78	1,329.19	1,359.82	1,533.47

₹ in million

34.2	**Capital and other commitments**				
a)	Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	103.84	50.12	26.89	170.97
b)	Commitment of non disposal (directly or indirectly) of investments or create encumbrances or transfer any of the securities in the subsidiaries without the consent of the shareholders.				

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
35	**Lease Transactions:**				
a)	The Company has taken rigs and certain equipments on a non-cancellable operating lease basis for a period of eight years. Other disclosures required are as under:				
	I) Lease payments recognised in the Statement of Profit and Loss	225.07	489.93	499.61	253.26
	II) Future minimum lease payments under non-cancellable operating leases are:				
	a) Not later than one year	496.18	492.25	503.60	475.19
	b) Later than one year and not later than 5 years	1,903.14	1,969.02	2,014.40	1,900.76
	c) Later than 5 years		161.84	669.17	1,106.61
	Total	2,624.39	2,623.11	3,187.17	3,482.56
b)	The Company has taken certain premises/ yards/ equipment's on cancellable operating lease basis. The tenure of these leases ranges from 11-24 months with an option of foreclosure. Charge of lease rentals on this count is ₹74.99 million (2016-17: ₹172.28 million, 2015-2016: ₹211.36 million, 2014-15: ₹ 216.91million).				

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
36	**Earnings per share (EPS)** EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:				
	Profit / (Loss) for the year after tax (Rupees)	2.26	399.05	-13.84	127.51
	Less: Dividend on cumulative redeemable preference shares including tax thereon (Rupees)	-	-	0.05	0.05
	Profit / (Loss) for the year attributable to equity shareholders for basic EPS (Rupees)	2.26	399.05	-13.90	127.45
	Add: Dividend on cumulative convertible preference shares including tax thereon (Rupees)	-	-	0.05	0.05
	Profit / (Loss) for the year attributable to equity shareholders for diluted EPS (Rupees)	2.26	399.05	-13.84	127.51
	Number of equity shares outstanding during the year (for calculating basic EPS)	18,367,454	18,083,265	17,546,487	17,546,487
	Add, Potential equity shares that could arise on conversion of preference shares	-	-	820,967	820,967
	Weighted average no. of equity shares outstanding during the year (for calculating diluted EPS)	18,367,454	18,083,265	18,367,454	18,367,454
	Basic Earnings per Share (Rupees)	0.12	22.07	(0.79)	7.26
	Diluted Earnings per Share (Rupees)	0.12	22.07	(0.79)*	6.94
	Nominal value per share (Rupees)	10.00	10.00	10.00	10.00

37	**Segment information:** The Company is engaged in the business of the Oil drilling and exploration services and other related services in connection therewith, consequently there is a single business segment. The Company has two geographical segments based upon location of its customers - within and outside India:				
		Within India	**Outside India**	**Unallocated**	**Total**
a)	**Revenue**				
	30 September 2017	1,351.88	930.95	-	2,282.83
	2016-17	2,220.24	3,547.12	-	5,767.36
	2015-16	1,804.85	3,807.09	-	5,611.94
	2014-15	2,376.42	2,747.02	-	5,123.44
b)	**Segment assets**				
	30 September 2017	7,399.80	2,531.45		9,931.25
	as at 31st March, 2017	8,072.14	4,145.03	1,337.80	13,554.97
	as at 31st March, 2016	6,636.01	4,633.83	1,284.53	12,554.37
	as at 31st March, 2015	6,521.78	4,713.30	1,042.13	12,277.21

₹ in million

37.1	Segment revenue reported above represents revenue generated from external Customers.
37.2	Single Customer who contributed 10% or more of the revenue for the year are: One customer within India - 45.25% and One customer in Algeria - 40.78% (2016-17: One customer within Algeria - 61.5% and One customer in India - 24.9% ,2015-16: One customer within Algeria- 67.8% and One customer in India - 13.4%, 2014-15: One customer within Algeria- 53.62% and One customer in India -24.24%).

₹ in million

38 Employee Benefits:

a) Defined Contribution Plan:

Eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan , in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Amount recognized as expense amounts to ₹ 10.25 million (2016-17 : 14.13 million, 2015-16: ₹14.25 million, 2014-15: ₹ 15.23 million).

b) Defined Benefit Plan: Gratuity (Funded)

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
I - Expense recognized in the Statement of Profit and Loss:				
Current service cost	3.93	6.68	5.17	3.62
Interest cost	1.83	3.00	2.23	3.45
Expense recognized during the year	5.76	9.68	7.40	7.07
Expense recognized in other comprehensive income (OCI):				
Actuarial (gain)/ losses on obligation for the period	3.31	5.59	4.60	2.34
Return on plan assets, excluding interest income	(0.01)	0.05	0.13	-
Net (income)/expense for the period recognized in OCI	3.30	5.64	4.73	2.34
II - Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:				
As at the beginning of the Year	62.66	53.99	45.91	38.61
Current service cost	3.93	6.68	5.17	5.17
Asset Transferred In/Acquisitions	-	1.08	-	-
Interest cost	2.14	4.08	3.63	3.45
Contribution paid	(2.60)	-	-	(2.06)
Benefits paid from the fund	-	(7.63)	(4.63)	-
Benefits paid by employer	-	(1.14)	(0.69)	(2.02)
Actuarial losses	3.31	5.59	4.60	2.76
As at the end of the year	69.43	62.65	53.99	45.91
III - Movement in net liability recognized in Balance Sheet				
As at the beginning of the Year	53.81	39.63	28.19	20.81
Expenses recognized during the year	9.06	15.32	12.13	9.40
Contributions made	(1.00)	(1.14)	(0.69)	(2.02)
As at the end of the year	61.87	53.81	39.63	28.19

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₹ in million

	IV - Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof:				
	Fair value of plan assets at the beginning of the year	8.86	14.36	17.72	17.81
	Expected return on plan assets	0.30	1.09	1.40	1.55
	Asset Transferred In/Acquisitions	1.00	1.08	-	-
	Actuarial (loss)/gain on plan assets	0.01	(0.05)	(0.13)	0.43
	Benefits Paid	(2.60)	(7.63)	(4.63)	(2.06)
	Fair value of plan assets at the end of the year	7.57	8.85	14.36	17.73
	V - Net liability recognized in the Balance Sheet				
	Present value of obligation as at the end of the year	69.43	62.65	53.99	45.91
	Fair value of plan assets as at the end of the year	7.57	8.85	14.36	17.72
	Net liability recognised in the Balance Sheet	61.87	53.80	39.63	28.19
	VI - Return on plan assets				
	Expected return on plan assets	0.30	1.09	1.40	1.55
	Actuarial (loss)/ gain	0.01	(0.05)	(0.13)	0.43
	Actual return on plan assets	0.31	1.04	1.27	1.98
	VII - The major categories of plan assets as a percentage of total plan assets				
	Insurer Managed Funds	100%	100%	100%	100%

₹ in million

b) **Defined Benefit Plan: Gratuity (Funded)** ***(Continued)***

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)	
VIII - Experience adjustment on					
Plan liabilities loss/ (gain)	4.07	1.63	3.04	1.19	
Plan assets (loss)/ gain	0.01	(0.05)	(0.13)	0.43	
IX - Experience adjustment on					
Particulars	**30.09.2017**	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**
Defined benefit obligations- loss/ (gain)	4.07	1.63	3.04	1.19	1.09
Plan assets- gain/ (loss)	0.01	(0.05)	(0.13)	0.43	0.79
Deficit	4.06	1.68	3.17	0.76	0.30
X - Principal actuarial assumptions					
Mortality	Indian Assured Lives (2006-08) mortality	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	
Discount rate	6.94%	6.82%	7.56%	7.90%	
Estimated rate of return on plan assets	6.94%	6.82%	7.56%	7.90%	
Annual increase in salary costs	8.00%	8.00%	8.00%	8.00%	

c) Employee benefit plan typically expose the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupees) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government Bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however this will be partially offset by an increase in the return on the plan's investment

Longevity risk

participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and employee turnover.

d) The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

₹ in million

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Change in discount rate by 50 basis points higher/ lower:				
Increase	(3.00)	(2.73)	(2.28)	(0.78)
Decrease	3.24	2.95	2.46	0.81
Change in salary rate by 50 basis points higher/ lower:				
Increase	3.20	2.91	2.44	0.81
Decrease	(2.98)	(2.71)	(2.28)	(0.78)
Change in employee turnover rate by 50 basis points higher/ lower:				
Increase	(0.33)	(0.32)	(0.15)	(0.07)
Decrease	0.35	0.34	0.16	0.07

₹ in million

39 Related Party Disclosure:

(i) *Names of related parties and description of relationship where control exists*

Synergy Drilling Fluids Private Limited	Subsidiary company
John Drilling Services Private Limited	Subsidiary company
John Energy International DMCC	Subsidiary company

(ii) *Enterprises over which key management personnel and their relatives exercise significant influence:*
John Oil and Gas Limited

(iii) *Key management personnel and their relatives:*

Mr. Maheshkumar Vyas	Chairman and Managing Director
Mr. Dilipkumar Vyas	Whole time Director
Mr. Chiragkumar Vyas	Whole time Director
Mr. Rajkumar Vyas	Relative of key management personnel
Mr. Ruchitkumar Vyas	Relative of key management personnel
Mrs. Rasilaben Vyas	Relative of key management personnel
Mrs. Abhaben Vyas	Relative of key management personnel
Mr. Natvarlal Vyas	Relative of key management personnel

(iv) *Transactions with related parties during the period:*

Sr. No.	Name of the related party and nature of transactions	Nature of relationship	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
1	**Synergy Drilling Fluids Private Limited**	Subsidiary				
	Loan repaid		-	-	3.10	-
	Closing Balance		-	-	-	3.10
2	**John Energy International DMCC**	Subsidiary				
	Equipment rentals		225.07	489.93	499.61	253.26
	Interest on loan		0.39	2.13	2.18	1.12
	Rig Movement expense		-	-	-	304.40
	Reimbursement towards expenses		-	-	32.38	103.77
	Reimbursement towards assets			0.66	4.24	1.23
	Bank guarantee fees		5.02	9.97	22.39	-
	Loan repaid		26.34	-	-	50.81
	Loan given		-	-	-	25.66
	Closing balance under "Trade Payables"		678.01			
	Closing balance under "Current financial assets - Others"		55.27	529.94	459.41	407.07
	Corporate guarantee given by the Company to bank for credit facilities taken by the subsidiary company		1,339.78	1,329.19	1,359.82	1,533.47

₹ in million

3	**John Oil and Gas Limited**	Enterprises over which key management personnel and their relatives				
	Rent		3.45	6.90	6.90	6.90
	Vehicle hire Charges		-	-	-	0.09
	Reimbursement of expenses received/receivable		0.00	0.03	0.02	0.14
	Dividend paid on equity shares		7.31	9.71	7.42	9.14
	Dividend paid on preference shares		-	-	-	0.37
	Closing balance as at period end included under "Trade Payables"		20.60	16.93	15.10	15.37
	Corporate guarantee (given jointly along with key management personnel and their relatives) given to banks for credit facilities taken by the Company		1,558.58	1,631.19	1,765.54	1,748.34
4	**Mr. Maheshkumar Vyas**	Key management personnel				
	Managerial remuneration paid / payable		7.20	34.64	22.05	12.60
	Loan taken		-	10.00	-	-
	Loan Repaid		-	10.00	-	-
	Interest on loan paid / payable		5.82	12.08	12.57	13.94
	Dividend paid on equity shares		12.32	16.36	12.51	15.39
	Dividend on preference shares		-	-	-	0.77
	Closing balance as at period end included under "Current financial liabilities-Borrowings"		92.90			
	Closing balance as at period end included under "Current financial liabilities-Others"		0.82	135.65	138.95	134.09
	Closing balance as at period end included under "Trade Payables"		36.93			
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,558.58	2,080.04	2,552.99	2,995.00
	Personal guarantee given (jointly with key management personnel) to banks for credit facilities taken by the Company		481.94	-	-	-
	Personal guarantee given to bank for credit facilities taken by Wholly owned subsidiary (Guarantees given jointly with KMPs)		-	1,329.19	1,359.82	1,533.47

₹ in million

(iv) *Transactions with related parties during the period (Continued):*

Sr. No.	Name of the related party and nature of	Nature of relationship	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
5	**Mr. Dilipkumar Vyas**	Key management personnel				
	Managerial remuneration paid / payable		6.10	12.00	12.00	11.08
	Interest on loan		1.62	3.35	3.49	3.87
	Dividend paid on equity shares		3.78	5.02	3.84	4.72
	Dividend on preference shares		-	-	-	0.08
	Closing balance as at period end included under "Current financial liabilities- Borrowings"		25.80			
	Closing balance as at period end included under "Current financial liabilities- Others"		0.23	26.72	29.98	30.47
	Closing balance as at period end included under "Trade Payables"		0.73			
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,558.58	2,042.06	2,552.99	2,955.00
	Personal guarantee given (jointly with key management personnel) to banks for credit facilities taken by the Company		452.58	-	-	-
	Personal guarantee given to bank for credit facilities taken by Wholly owned subsidiary (Guarantees given jointly with KMPs)		-	1,329.19	1,359.82	1,533.47
6	**Mr. Chiragkumar Vyas**	Key management personnel				
	Managerial remuneration paid / payable		1.08	2.10	2.10	1.83
	Interest on loan		1.42	2.95	3.07	3.41
	Dividend paid on equity shares		3.01	4.00	3.06	3.77
	Dividend on preference shares		-	-	-	0.05
	Closing balance as at period end included under "Current financial liabilities - Borrowings"		22.70			

₹ in million

	Closing balance as at period end included under "Current financial liabilities - Others"		0.20	23.23	24.41	25.57
	Closing balance as at period end included under "Trade Payables"		0.32			
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,558.58	1,617.35	1,748.74	1,729.07
	Personal guarantee given (jointly with key management personnel) to banks for credit facilities taken by the Company		68.12	-	-	-
	Personal guarantee given to bank for credit facilities taken by Wholly owned subsidiary (Guarantees given jointly with KMPs)		-	1,329.19	1,359.82	1,533.47
7	**Mr. Chintankumar Vyas**	Relative of key management				
	Advance repaid		-	-	0.02	-
	Salaries, bonus and allowances (for part of the year)		-	-	-	0.55
	Closing balance as at period end included under "Trade Payables"		-	-	-	0.02
8	**Mr. Rajkumar Vyas**	Relative of key management				
	Salaries, bonus and allowances		0.24	0.46	0.35	0.30
	Closing balance as at period end included under "Trade Payables"		0.04	0.04	0.03	0.06
9	**Mr. Ruchitkumar Vyas**	Relative of key management				
	Salaries, bonus and allowances		0.60	0.84	-	0.20
	Closing balance as at period end included under "Trade Payables"		0.08	0.08	-	-
10	**Mrs. Rasilaben Vyas**	Relative of key management				
	Dividend paid on equity shares		1.44	1.91	1.46	1.80
	Dividend paid on preference shares		-	-	-	0.03
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,546.41	1,617.35	1,748.74	1,729.07
11	**Mrs. Abhaben Vyas**	Relative of key management				
	Dividend paid on equity shares		0.53	0.70	0.54	0.66
	Dividend paid on preference shares		-	-	-	0.03

₹ in million

12	**Mr. Natvarlal Vyas**	Relative of key management personnel				
	Dividend paid on equity shares		1.14	1.51	1.16	1.42
	Dividend paid on preference shares		-	-	-	0.91

Note:

(v) Remuneration to key managerial personnel and relatives of key managerial personnel excludes contribution to gratuity and leave encashment as the incremental liability has been accounted for by the Company as a whole.

(vi) Short term employee benefits paid to key managerial personnel and relatives of key managerial personnel for the period Rs. 14.38 Million (2016-17 Rs.50.42 Million 2015-16: Rs.36.50 Million,2014-15: Rs. 26.55 Million)

(vii) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.

40 Details of loans given, investments made and guarantees given under Section 186(4) of the Companies Act, 2013 as at the year end are as follows:

Name of the Company	Purpose	Loan given*	Investments made	Guarantees given
John Energy International DMCC	Business			
as at 30 September 2017		5.85	3.37	1,339.78
as at 31st March, 2017		28.71	3.37	1,329.19
as at 31st March, 2016		29.37	3.37	1,359.82
as at 31st March, 2015		26.78	3.37	1,533.47

* includes interest accrued on loans of as at 30 September, 2017 ₹5.58 million (as at 31 March 2017 ₹ 2.13 million, as at 31st March, 2016 ₹2.18 million and as at 1 April, 2015 ₹1.12 million)

41 **Disclosure on Specified Bank Notes (SBNs)**

Details of specified bank notes held and transacted during the period 8th November, 2016 to 30th December, 2016

Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	1.05	0.87	1.92
(+) Permitted receipts	-	2.66	2.66
(-) Permitted payments	-	2.38	2.38
(-) Amount deposited in banks	1.05	0.03	1.08
Closing cash in hand as on 30th December, 2016	-	**1.12**	**1.12**

42 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with Schedule VII thereof):

a) Gross amount required to be spent by the Company during the year- ₹5.56 million (2016-17: ₹11.05 million, 2015-16: ₹12.39 million,
2014-15: ₹13.63 million)

b) Amount spent and paid during the year by way of donations to charitable trusts- ₹ Nil (2016-17: ₹2.90 million 2015-16: ₹2.48 million, 2014-15 ₹0.67 million)

43 **Financial instrument**

43.1 **Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

Particulars	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Gross Debt (long-term and short-term borrowings including current maturities)	4,802.49	4,962.19	4,436.21	4,750.02
Cash and bank balances	425.10	765.69	610.10	516.52
Net debt	4,377.39	4,196.50	3,826.11	4,233.50
Equity	5,045.31	5,114.93	4,809.41	4,895.04
Debt equity ratio	**0.87**	**0.82**	**0.80**	**0.86**

43.2 Financial risk management

The Company's activities expose it to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

(A) Market risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company.

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes can not be normally predicted with reasonable accuracy.

(1) Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company uses derivative financial instruments such as Forward Foreign Exchange Contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

₹ in million

43 Financial instrument *(Continued):*

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

As on 30 September 2017

	Financial liabilities			Financial assets			
Currency	Gross Exposure	Exposure Hedged using CCIRS	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Net overall Exposure
USD	3,611.51	718.91	2,892.61	1,048.28	-	1,048.28	(1,844.33)
DZD	273.21	-	273.21	227.15	-	227.15	(46.06)

As at 31 March, 2017

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	3,876.36	713.22	3,163.14	1,209.02	-	1,209.02	(1,954.12)
DZD	438.80	-	438.80	492.58	-	492.58	53.78
GBP	-	-	-	3.51	-	3.51	3.51

As at 31 March, 2016

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	2,966.56	-	2,966.56	1,010.45	-	1,010.45	(1,956.11)
DZD	423.17	-	423.17	771.49	-	771.49	348.33

As at 31 March, 2015 (Proforma)

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	3,790.02	-	3,790.02	1,217.32	-	1,217.32	(2,572.70)
DZD	266.14	-	266.14	615.68	-	615.68	349.53
EURO	0.35	-	0.35	-	-	-	(0.35)

Note **-** Some of the derivatives reported under this column are not designated in hedging relationships but have been taken to economically hedge the foreign currency exposure.

Foreign currency sensitivity analysis:

Movement in the foreign currency impacts the revenue and cost of borrowings.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents management's assessment of the reasonably possible change in foreign exchange rates.

The following table details the Company's sensitivity movement in the foreign currencies:

Impact on profit or loss (increase/ decrease by 1%)

₹ in million

	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
USD Impact				
Increase	(18.44)	(19.54)	(19.56)	(25.73)
Decrease	18.44	19.54	19.56	25.73
DZD Impact				
Increase	(0.46)	0.54	3.48	3.50
Decrease	0.46	(0.54)	(3.48)	(3.50)
GBP/ EURO Impact				
Increase	-	2.86	-	(0.00)
Decrease	-	(2.86)	-	0.00

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(2) **Interest rate risk management:**

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings by the use of interest rate swap contracts.

Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Outstanding swap agreement to hedge against fluctuation from floating to fixed interest rate changes:

As at	No. of contracts	Notional value of contract: USD Notional Amount	Notional value of contract: INR Equivalent Amount
30 September 2017	2	2.81	183.81
31st March, 2017	4	4.06	263.41
31st March, 2016	5	11.69	775.27
31st March, 2015 (Proforma)	5	14.75	923.21

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year.

A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/ lower, the Company's profit for the year ended 30 September 2017 would decrease/ increase by ₹2.03 million (2016-17:decrease/increase by ₹5.91 million,2015-16: decrease/ increase by 5.30 million, 2014-15:decrease/increase by 6.06 million).

₹ in million

43 **Financial instrument *(Continued):***

(3) **Foreign currency and interest rate sensitivity analysis for swap contracts:**

The Company has taken cross currency and interest rate swap (CCIRS) contracts for hedging its foreign currency and interest rate risks related to external commercial borrowings.

This CCIRS contracts are composite contracts for both the foreign currency and interest rate risks and thus the mark-to-market value is determined for both the risks together. The mark-to-market loss as at 30 September 2017 is ₹ 79.28 million (31 March, 2017 is ₹ 40 million, 31 March, 2016: ₹ Nil and 31 March, 2015: ₹ Nil).

If the CCIRS movement considered 1% higher/ lower, the Company's profit for the period/year ended 30 September,2017 would approximately increase by ₹9.70 million and decrease by ₹9.69 million (2016-17: increase by ₹9.6 million and decrease by ₹9.6 million,2015-16: decrease/ increase by ₹ Nil).

(4) **Equity price risk:**

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the Company to equity price risks. In general, these securities are not held for trading purposes.

Equity price sensitivity analysis

The fair value of equity instruments as at 30 September 2017,31 March, 2017, 31 March, 2016 and 31March, 2015 was ₹0.55 million, 0.59 Million, ₹0.39 million and ₹0.78 million respectively.

A 10% change in prices of equity instruments held as at 30 September 2017,31 March, 2017, 31 March, 2016 and 31 March, 2015 would result in an increase/ decrease of ₹0.05 million,0.06 million, ₹0.04 million and ₹0.08 million in fair value of equity instruments respectively.

(B) **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk is managed by the Company through monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The credit terms are generally based on the terms and conditions mentioned in tender documents bidding through which contracts of revenue are being awarded to the Company. The major customers are generally from the public sector undertakings / government owned companies and private sector oil and gas companies.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. Management is of the view that these financial assets are not impaired as majority of customers are public sector units where no credit risk is perceived. Historically the amount outstanding for more than one year does not exceed 0.45% of the total receivables on the respective reporting date. Accordingly, the management does not anticipate a significant loss on account of time value of money.

(C) **Liquidity risk**

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.
As a prudent liquidity risk management measure, the Company closely monitors its liquidity position for the Company's short term and long term funding and liquidity requirement.

The Company manages liquidity risk by maintaining adequate balances on hand, banking facilities from both domestic and international banks/ financial institutions, reserve borrowing facilities and continuously monitoring actual cash flow and by matching the maturity profiles of financial assets and liabilities.

₹ in million

Based on past performance and current expectations, the Company believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

Company has undrawn facility outstanding as on 30 September 2017- ₹548.35 million,31 March, 2017- ₹108.89 million; as on 31 March, 2016- ₹639.97 million, as on 31 March 2015 - ₹ 81.55 million.

The table below summarises the maturity profile remaining contractual maturity period at the balance sheet date for its non derivative financial liabilities based on the undiscounted cash flows.

(₹ In million)

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
As at 30 September 2017				
Trade payables	1,556.24	-	-	1,556.24
Other financial liabilities	97.27	36.47	40.63	174.37
Borrowings	2,397.34	1,500.97	904.18	4,802.49
As at 31 March, 2017				
Trade payables	1,604.79	-	-	1,604.79
Other financial liabilities	842.83	14.67	28.85	886.35
Borrowings	1,454.75	1,737.62	1,045.75	4,238.12
As at 31 March, 2016				
Trade payables	1,465.68	-	-	1,465.68
Other financial liabilities	921.81	-	-	921.81
Borrowings	1,478.49	2,088.00	110.95	3,677.44
As at 31 March, 2015				
Trade payables	1,260.58	-	-	1,260.58
Other financial liabilities	1,038.15	-	-	1,038.15
Borrowings	1,393.08	2,305.38	125.73	3,824.19

The table below summarises the maturity profile of mark to market loss provided on its derivative financial liabilities based on the undiscounted contractual outflows on derivative liabilities

₹ in million

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
As at 30 September 2017				
CCIRS	-	34.83	40.63	75.46
As at 31 March, 2017				
CCIRS	-	11.22	28.85	40.07
As at 31 March, 2016 and as at 31 March, 2015 (Proforma)				
CCIRS	-	-	-	-

₹ in million

43 Financial instrument *(Continued):*

43.3 Categories of Financial assets and liabilities:

	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Financial assets				
a) Measured at amortised cost:				
Cash and cash equivalents	176.27	522.97	396.87	349.74
Other bank balances	248.84	242.72	213.23	166.78
Trade receivables	910.29	935.10	946.71	1,014.84
Loans	333.14	26.58	27.20	28.76
Others		436.29	561.23	608.46
b) Measured at fair value through profit and loss (FVTPL)				
Investments	0.55	0.56	0.39	0.78
Financial liabilities				
a) Measured at amortised cost:				
Borrowings	4,802.47	4,238.13	3,677.44	3,824.18
Trade payables	1,556.27	1,604.79	1,465.68	1,260.58
other financial liabilities	95.09	839.54	921.81	1,038.14

₹ in million

	b) Measured at fair value through profit and loss (FVTPL) Derivatives not designated in hedge accounting relationships	79.28	46.81	-	-

Note:
Investments in subsidiaries are measured at cost in accordance with Ind AS - 27 and hence excluded from the aforesaid disclosure.

43.4 Fair value measurements:

Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values for material financial assets and material financial liabilities have been determined (in particular, the valuation technique(s) and inputs used).

	Fair value as at				Fair Value Hierarchy	Valuation technique(s) and key input(s)
	As at September 30, 2017 (Ind AS)	**As at March 31, 2017 (Ind AS)**	**As at March 31, 2016 (Ind AS)**	**As at March 31, 2015 (Proforma Ind AS)**		
a) Derivative instruments, i.e.	79.28	46.81	-	-	Level-2	Note 1
b) Investments in quoted equity shares	0.55	0.56	0.39	0.78	Level-1	Note 2

Notes:

1. Discounted future cash flows which are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company/ various counterparties. Further, in case of swap contracts, the future estimated cash flows considering forward interest rates (from observable yield curves at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company/ various counterparties.
2. Quoted bid prices in an active market.

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

44 Taxation:

Income tax recognised in statement of profit and loss	30 September 2017	March 31, 2017	March 31, 2016	March 31, 2015 (Proforma)
Current tax	-	(330.35)	(405.72)	(167.30)
Less: MAT credit entitlement	-	-	77.06	66.55
Deferred tax	3.17	(89.77)	(184.28)	(70.56)
Total income tax expenses recognised in the current year	3.17	(420.12)	(512.94)	(171.31)
Income tax expense for the year reconciled to the accounting profit:				
Profit before tax	5.43	819.17	489.70	291.55
Income tax rate	0%	34.61%	34.61%	33.99%
Income tax expense	-	283.52	169.47	99.10
Add: Tax expenses in respect of foreign branch not available for set off against the Indian tax liability of the Company	-	142.65	294.74	100.75
Tax Effect of:				
Expenses allowed		(268.21)	(268.06)	(264.37)
Utilization of unabsorbed depreciation	-	-	(40.92)	-
Expenses disallowed		173.93	174.47	161.63
Others	-	0.37	0.59	0.50
Current tax provisions (A)	-	332.25	330.29	97.61
Deferred tax liability on account of PPE	(2.78)	88.70	146.45	120.36
Deferred tax liability/ (asset) on account of temporary disallowances and others	5.17	1.09	(0.29)	(7.72)
Creation of deferred tax asset on unabsorbed depreciation	0.77	-	38.13	(38.13)
Tax effect of re-measurement of defined benefit plan taken to OCI	(1.14)	(1.92)	(1.64)	(0.81)
Deferred Tax Provisions (B)	2.02	87.87	182.65	73.70
Income tax expense recognised in profit and loss (A+B)	2.02	420.12	512.94	171.31

₹ in million

44.1	The Company has estimated tax loss for the AY 2018-19. Accordingly, the interim period tax expense (current and deferred tax) has been determined using the tax rate that would be applicable to estimated annual earnings (i.e. annual effective tax rate).

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
ANNEXURE VI - STATEMENT OF ADJUSTMENTS TO AUDITED STANDALONE FINANCIAL STATEMENTS

₹ in million

1) Adjustment for Restatement of Standalone Statement of Profit and Loss

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Net Profit after taxation (as per audited accounts)	7.00	412.33	30.58	180.19
Adjustments on account of:				
Impact of change in rate of depreciation in respect of plant and equipment (rigs) (Refer note a)	(9.19)	(16.63)	(42.28)	(17.36)
Impact of (loss)/ profit on sale/ discard of PPE consequent to change in rate of depreciation (Refer note b)	(0.09)	(1.07)	(1.62)	3.63
Sub-total	**(9.28)**	**(17.70)**	**(43.90)**	**(13.73)**
Tax impact				
Deferred tax asset (Refer note c)	2.37	0.69	(13.01)	(38.08)
Tax on restated Adjustments	**2.37**	**0.69**	**(13.01)**	**(38.08)**
Adjustments relating to excess provision for taxes (Including MAT) (Refer Note d)		-	9.40	(3.20)
Restated comprehensive income / (loss) for the year	**0.09**	**395.32**	**(16.93)**	**125.18**

Notes:

a) In financial year March 31, 2012, the Company reassessed the useful lives of rigs consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. Accordingly, the written down value of the rigs as at 1st April, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. In the compilation of the restated financial statements, the life of 30 years has been retrospectively applied since the inception of the Company. The cumulative impact of this change as at April 1, 2012 resulting into accretion to the figure of reserves and surplus as on that date is ₹229.79 million (pre-tax) with a consequential increase in depreciation charge for the 5 years being restated.

b)Adjustment represents impact on (loss)/ profit on sale/ discard of PPE consequent to change in rate of depreciation for reason as stated in note (a) above.

c) Deferred tax represent charge on account of:
i) The Company capitalized exchange rate differences arising on long-term borrowings on acquisition of various items of Plant and Machineries, as permitted under Paragraph 46A of the erstwhile Accounting Standard 11 (AS 11) "The Effects of Changes in Foreign Exchange Rates". Effective April1, 2016, the Company transitioned to Indian Accounting Standards ('Ind AS') with transition date as at April 1, 2015. Ind AS 101 – "First Time Adoption of Indian Accounting Standard" permits the Company to continue capitalizing the exchange differences as required under the aforesaid paragraph of AS 11. The Income Tax Law permits such capitalization only in respect of realised exchange differences. The Company had therefore treated adjustments to carrying value of fixed assets attributable to such exchange rate differences as a permanent difference and did not create deferred tax liability thereon. Subsequent to March 31, 2017, the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India (ICAI) issued ITFG-8, which clarified that the Company must recognize deferred tax liability on the transition date i.e. April 1, 2015 on exchange rate differences capitalized under Paragraph 46A of erstwhile AS 11. The Company in its audited financial statements for the year ended March 31, 2017 has not given impact of the ITFG-8 and has now accounted the same in these restated financial statements with a corresponding adjustment in the opening reserves as at April 1, 2015 for an amount of ₹ 214.74 million and for ₹ 28.20 million and ₹ 5.44 million in FYs 2015-16 and 2016-17 respectively in accordance with Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors".
ii) Deferred tax impact consequent to change in rate of depreciation for reason as stated in note (a) above.

₹ in million

d) These adjustments have been reflected in the year(s) to which they pertain. Where these relate to years prior to year ended on March 31, 2013, the effect has been given in the balance of accumulated reserves as at April 1, 2012.

2) Regroupings to Restatement of Standalone Statement of Profit and Loss

Figures have been regrouped to ensure consistency of presentation based on the latest audited financials statements. The following significant regroupings have been made in the statement of Profit and Loss, as restated:

a) For the years ended March 31, 2017, 2016 and 2015, exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs have been regrouped / reclassified from "Other expenses" to "Finance costs" in the Statement of Profit and Loss, as restated.

Effect of the above adjustments are given below.

	For the year ended 31 March 2017 (Ind AS)	**For the year ended 31 March 2016 (Ind AS)**	**For the year ended 31 March 2015 (Proforma Ind AS)**
a) Finance costs	(12.23)	29.12	27.18
b) Other expenses	-	(29.12)	(27.18)
c) Other Income	(12.23)	-	-

3) Auditor's Comments in Companies (Auditor's Report) Order - Non - Adjusting Items :-

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the Section 143 of the Companies Act, 2013 of India for Financial Year 2014-15, 2015-16 and 2016-17:

<u>For March 31, 2015:</u>

i) According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:

(a) The holding company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.

(b) There are no dues of Income-tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute with the relevant authorities. Details of dues towards Service Tax that have not been deposited as at March 31, 2015 on account of disputes are stated below:

Statue	Nature of dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rupees)
Service Tax Rules	Service tax	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	10.09.04 to 31.03.07	25,087,125

(ii) In our opinion and according to the information and explanations given to us, the Company has generally been regular in repayment of dues to banks. The Company has no dues to financial institutions and has not issued any debentures.

JOHN ENERGY LIMITED
ANNEXURE VI - STATEMENT OF ADJUSTMENTS TO AUDITED STANDALONE FINANCIAL STATEMENTS

₹ in million

For March 31, 2016:

i) According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:

(a) The holding company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.

(b) There are no dues of Income-tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute with the relevant authorities. Details of dues towards Service Tax that have not been deposited as at March 31, 2016 on account of disputes are stated below:

Statue	Nature of dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rupees)
Service Tax Rules	Service tax	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	10.09.04 to 31.03.07	21,051,223

For March 31, 2017:

i) According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:

(a) The holding company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.

(b) There are no dues of Income-tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute with the relevant authorities. Details of dues towards Service Tax that have not been deposited as at March 31, 2017 on account of disputes are stated below:

Statue	Nature of dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rupees) *
Service Tax Rules	Service tax	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	10.09.04 to 31.03.07	21,051,233

₹ in million

** Net of aggregate amount of ₹13,461,977 paid under protest.*

As per our report of even date attached

For B S R & Associates LLP	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm's Registration No: 116231W/W-100024		
Jeyur Shah	**Maheshkumar Vyas**	
Partner	*Chairman and Managing Director*	**Dilipkumar Vyas**
Membership No: 045754	(DIN No. 00432810)	*Whole-time Director*
		(DIN No. 00432971)
Place: Ahmedabad		
Date: 31 January 2018		
	Rakesh Ghuwalewala	
	Company Secretary	**Jayesh Asher**
	Membership No.: A15520	*Chief Financial Officer*
	Place: Ahmedabad	
	Date: 31 January 2018	

JOHN ENERGY LIMITED
ANNEXURE VII - RESTATED STANDALONE STATEMENT OF DIVIDEND PAID

₹ in million

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Proposed dividend on Preference Shares*	0.01	0.01	0.05	0.05
Proposed dividend on Equity Shares*	57.90	-	74.57	57.03
Corporate Dividend Tax	11.79	-	15.19	11.62
Total	69.70	**0.01**	**89.81**	**68.70**
(a) Rate of Dividend on Equity Shares(%):				
On Equity Shares (Refer note below)	**32%**	**0%**	**42%**	**33%**
Dividend per Equity Share- Rupees	3.2	-	4.25	3.25
(b) Rate of Dividend on Preference Shares:				
Optionally Convertible Cumulative Redeemable Preference Shares (Series -V)	0.05%	0.05%	0.05%	0.05%
* on pro-rata basis				

Note:
In respect of the year ended 31st March, 2017, members have approve dividend of ₹ 3.20 per share be paid on fully paid equity shares.

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

ANNEXURE VIII - RESTATED STANDALONE STATEMENT OF CAPITALISATION

₹ in million

	Pre-Offer for the year ended September 30, 2017	Adjusted for Post Offer	Pre-Offer for the year ended March 31, 2017	Adjusted for Post Offer
Debt				
- Long term borrowings	2405.14		2783.37	[*]
-Current maturity of long term borrowings	853.52		724.07	[*]
-Short term borrowings	1543.82		1454.75	[*]
Total borrowings	**4,802.48**		**4962.19**	[*]
Shareholders' funds				
- Share Capital	183.67		183.67	[*]
- Other Equity	4,861.64		4,931.26	[*]
Total Shareholder's funds	**5,045.31**		**5,114.93**	[*]
Debt/Equity Ratio	**0.95**		**0.97**	[*]

[*] Post Issue Capitalization will be determined after finalization of issue price.

Notes:

1) The above have been computed on the basis of restated statement of accounts.

2) For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current maturities of long term debt.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Jeyur Shah

Partner

Membership No: 045754

Place: Ahmedabad

Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas

Chairman and Managing Director

(DIN No. 00432810)

Dilipkumar Vyas

Whole-time Director

(DIN No. 00432971)

Rakesh Ghuwalewala

Company Secretary

Membership No.: A15520

Jayesh Asher

Chief Financial Officer

Place: Ahmedabad

Date: 31 January 2018

JOHN ENERGY LIMITED
ANNEXURE IX - RESTATED STATEMENT OF ACCOUNTING RATIOS

₹ in million

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Earning Per Share (EPS):				
Restated Net profit/(Loss) for the year after tax	2.26	399.05	(13.84)	127.51
Less: Dividend on cumulative redeemable preference shares including tax thereon	-	-	0.05	0.05
Restated net profit / (Loss) for the year attributable to equity shareholders for basic EPS	2.26	399.05	(13.89)	127.46
Add: Dividend on cumulative convertible preference shares including tax thereon	-	-	0.05	0.05
Restated net profit / (Loss) for the year attributable to equity shareholders for diluted EPS	2.26	399.05	(13.84)	127.51
Weighted Average Number of equity shares outstanding during the year (for calculating basic EPS)	18,367,454	18,083,265	17,546,487	17,546,487
Add: Potential equity shares that could arise on conversion of preference shares	-	-	820,967	820,967
Weighted average number of equity shares outstanding during the year (for calculating diluted EPS)	18,367,454	18,083,265	18,367,454	18,367,454
Nominal value per share	10.00	10.00	10.00	10.00
Basic Earnings per Share - In ₹	0.12	22.07	(0.79)	7.26
Diluted Earnings per Share-In ₹	0.12	22.07	(0.79)	6.94
Return on Net Worth %	0.04%	7.80%	-0.29%	2.65%
Net asset value per equity share (₹) @	274.69	278.48	268.97	273.85
@ Working of Net Asset Value per Equity Share:				
Networth (A)	5,045.31	5,114.93	4,809.41	4,895.04
Less: Preference Share Capital (B)	-	-	90.00	90.00
Net Worth(C= A-B)	5,045.31	5,114.93	4,719.41	4,805.04
No. of Equity Shares Outstanding at the end of the year(D)	18,367,454	18,367,454	17,546,487	17,546,487
Net asset value per equity share (₹)	274.69	278.48	268.97	273.85
Share Capital	183.67	183.67	265.46	265.46
Reserves and Surplus, as restated	4,861.64	4,931.26	4,543.95	4,629.58
Networth	5,045.31	5,114.93	4,809.41	4,895.04

1. The ratios on the basis of Restated Standalone financial information have been computed as below:

Basic Earnings per share (₹) = $\dfrac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

Diluted Earnings per share (₹) = $\dfrac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

Return on net worth (%) = $\dfrac{\text{Net profit after tax as restated (excluding extraordinary Items)}}{\text{Net worth as restated (excluding Preference Share Capital) at the end of the year}}$

Net Asset Value (NAV) per equity share (₹) = $\frac{\text{Net worth as restated (excluding Preference Share Capital) at the end of}}{\text{Number of equity shares outstanding at the end of the year}}$

2. Earnings per share calculations are done in accordance with Indian Accounting Standard 33 "Earnings Per Share" issued by the

3. Group does not have any extraordinary items and revaluation reserve.

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
ANNEXURE X -RESTATED STANDALONE STATEMENT OF TAX SHELTER

₹ in million

Income tax recognised in Statement of Profit and Loss	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Current tax (Including foreign tax)	-	**(330.35)**	**(405.72)**	**(167.30)**
Less: MAT credit entitlement	-	-	77.06	66.55
Deferred tax	3.17	(89.77)	(184.28)	(70.56)
Total income tax expenses recognised in the current year	3.17	(420.12)	(512.94)	(171.31)
Income tax expense for the year reconciled to the accounting profit:				
Profit before tax	5.43	819.17	489.70	291.55
Income tax rate	0.00%	34.61%	34.61%	33.99%
Income tax expense	-	283.52	169.47	99.10
Add: Tax expenses in respect of foreign branch not available for set off against				
the Indian tax liability of the Company	-	142.65	294.74	100.75
Tax Effect of:				
Expenses allowed	-	(268.21)	(268.06)	(264.37)
Utilization of unabsorbed depreciation	-	-	(40.92)	-
Expenses disallowed	-	173.93	174.47	161.63
Others	-	0.37	0.59	0.50
Current Tax Provisions (A)	-	**332.25**	**330.29**	**97.61**
Deferred tax liability on account of PPE	(2.78)	88.70	146.45	120.36
Deferred tax liability/ (asset) on account of temporary disallowances and others	5.17	1.09	(0.29)	(7.72)
Reversal of deferred tax asset on utilization of unabsorbed depreciation	0.77	-	38.13	(38.13)
Tax effect of remeasurement of defined benefit plan taken to OCI	(1.14)	(1.92)	(1.64)	(0.81)
Deferred Tax Provisions (B)	**2.02**	**87.87**	**182.65**	**73.70**
Income tax expense recognised in profit and loss (A+B)	**2.02**	**420.12**	**512.94**	**171.31**

As per our report attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad

Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN : 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN : 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
CIN: U29224GJ1987PLC010044

ANNEXURE-I: RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

₹ in million

	Note no. of Annexure-V	As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	265.46	375.49
(b) Reserves and surplus	4	4,773.36	4,297.13
		5,038.82	**4,672.62**
(2) Non-current liabilities			
(a) Long-term borrowings	5	2,814.49	2,697.53
(b) Deferred tax liabilities (net)	6	908.75	788.66
(c) Long-term provisions	7	1.42	0.93
		3,724.66	**3,487.12**
(3) Current liabilities			
(a) Short-term borrowings	8	1,268.40	1,173.31
(b) Trade payables	9	717.18	806.62
(c) Other current liabilities	10	1,211.48	2,277.37
(d) Short-term provisions	11	223.08	129.44
		3,420.14	**4,386.74**
TOTAL		**12,183.62**	**12,546.48**
ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	8,720.88	6,999.50
(ii) Intangible assets	12	10.81	21.00
(iii) Capital work-in-progress	12	-	1,357.30
(b) Non-current investments	13	4.55	1.18
(c) Long-term loans and advances	14	584.69	488.46
		9,320.93	**8,867.44**
(2) Current assets			
(a) Inventories	15	678.56	589.90
(b) Trade receivables	16	1,173.48	1,463.76
(c) Cash and bank balances	17	482.55	325.03
(d) Short-term loans and advances	18	140.43	1,294.47
(e) Other current assets	19	387.67	5.88
		2,862.69	**3,679.04**
TOTAL		**12,183.62**	**12,546.48**

Notes:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-35 forming part of the Restated Standalone Financial Information.

As per our report of even date attached

For B S R & Associates LLP	**For and on behalf of the Board of Directors**	
Chartered Accountants		
Firm's Registration No: 116231W/W-100024		
Jeyur Shah	**Maheshkumar Vyas**	**Dilipkumar Vyas**
Partner	*Chairman and Managing Director*	*Whole-time Director*
Membership No: 045754	(DIN No. 00432810)	(DIN No. 00432971)
Place: Ahmedabad		
Date: 31 January 2018		
	Rakesh Ghuwalewala	**Jayesh Asher**
	Company Secretary	*Chief Financial Officer*
	Membership No.: A15520	
	Place: Ahmedabad	
	Date: 31 January 2018	

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-II: RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

₹ in million

	Note No. of Annexure V	For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
INCOME			
Revenue from operations	20	5,188.47	4,289.95
Other income	21	14.64	94.35
TOTAL INCOME (I)		**5,203.11**	**4,384.30**
EXPENSES			
Changes in inventories of finished goods	22	-	0.26
Operating expenses for drilling and workover rigs	23	2,616.24	2,216.91
Manufacturing expenses	24	5.88	6.88
Employee benefits expense	25	590.71	492.60
Finance costs	26	447.63	402.03
Depreciation and amortization expenses	12	369.83	282.27
Other expenses	27	369.80	272.18
TOTAL EXPENSES (II)		**4,400.09**	**3,673.13**
Profit Before Tax (I-II)		**803.02**	**711.17**
Tax expense			
Current tax		174.00	150.00
Minimum alternate tax credit entitlement		(55.70)	(104.00)
Deferred tax		120.09	227.66
Minimum alternate tax credit entitlement written-off		2.82	18.93
		241.21	**292.59**
Net Profit After Tax		**561.81**	**418.58**
Earnings Per Share (EPS) *(face value of ₹ 10 each)*	30		
Basic (₹)		31.99	23.55
Diluted (₹)		30.38	22.34

Notes:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-35 forming part of the Restated Standalone Financial Information.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-III: RESTATED STANDALONE STATEMENT OF CASH FLOWS

₹ in million

		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
A.	**Cash flows from operating activities**		
	Net profit before tax	**803.02**	**711.17**
	Adjustments for non-cash and non-operating items:		
	Add: Depreciation and amortization expense	369.83	282.27
	Loss on sale/ disposal of fixed assets (net)	9.21	3.00
	Finance costs	447.63	402.03
	Interest income	(12.19)	(14.35)
	Dividend income on non-current investments (Long term)	(0.06)	(0.03)
	Profit on Sale of Investments	-	(0.65)
	Bad debts	19.72	0.20
	Provision for doubtful debts	-	7.03
	Unrealised foreign exchange loss (net)	17.93	50.31
	Operating profit before working capital changes	**1,655.09**	**1,440.98**
	(Increase) in trade receivables	(125.39)	(145.44)
	(Increase) / Decrease in inventories	(88.66)	39.80
	(Increase) / Decrease in other bank balances	32.36	(100.26)
	Decrease/ (Increase) in loans and advances and other current assets	1,118.26	(95.69)
	(Decrease) in trade and other payables	(16.04)	(151.24)
		920.53	**(452.83)**
	Cash generated from Operations	**2,575.62**	**988.15**
	Direct tax (paid) (net)	(174.17)	(67.24)
	Net cash generated from operating activities (A)	**2,401.45**	**920.91**
B.	**Cash flows from investing activities**		
	Purchase of fixed assets	(1,920.65)	(936.32)
	Sale of fixed assets	11.89	7.57
	Investments in subsidiary company	(3.37)	-
	Sale of Investments	-	3.65
	Interest income	13.28	11.76
	Dividend income on non-current investments (Long term)	0.06	0.03
	Net cash (used in) investing activities (B)	**(1,898.79)**	**(913.31)**
C.	**Cash flows from financing activities**		
	Proceeds from issue of share capital / (Redemption of shares)	(110.27)	-
	Proceeds from long-term borrowings	649.45	849.47
	Repayment of long-term borrowings	(510.47)	(648.78)
	Proceeds from other borrowings (net)	95.10	96.19
	Dividend paid (including corporate dividend tax)	(7.78)	(10.68)
	Interest expense	(428.80)	(377.08)
	Net cash (used in) financing activities (C)	**(312.77)**	**(90.88)**

D.	**Exchange difference on cash and cash equivalents (D)**	**-**	**7.36**
	Net increase/ (dercrease) in cash and cash equivalents (A+B +C+ D)	**189.89**	**(75.92)**
	Cash and cash equivalents at the beginning of the year	152.05	227.97
	Cash and cash equivalents at the end of the year	**341.94**	**152.05**

1) Non cash transactions not considered above:
Conversion of 0.01% OCCRPS-Series-I and II of ₹ 0.79 million (Previous year: ₹ Nil)

2) The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 (AS 3) on "Cash flow Statements".

Notes:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Standalone Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure-VI, Restated Standalone Statement of Dividend Paid appearing in Annexure-VII, Restated Standalone Statement of Capitalisation appearing in Annexure-VIII, Restated Standalone Statement of Accounting Ratios appearing in Annexure-IX and Restated Standalone Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-35 forming part of the Restated Standalone Financial Information.

As per our report of even date attached

For B S R & Associates LLP **For and on behalf of the Board of Directors**

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Place: Ahmedabad
Date: 31 January 2018

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

Annexure IV **Intentionally Left Blank**

Note No. 1 Company Overview

John Energy Limited ('the Company") is a company incorporated and domiciled in India and governed by the Companies Act, 2013 ("the Act"). The Company's registered office is situated at Plot No.220, GIDC Estate, Mehsana, Gujarat, India. The Company is a leading Indian company catering to the Exploration & Production sector of the Oil and Gas Industry.

Note No. 2 Significant Accounting Policies

Basis of Preparation and Presentation:

Significant Accounting Policies consistently adopted for all the years presented in the Restated Standalone Financial Information made are set out below:

The Restated Standalone Statement of Assets and Liabilities of the Company as at 31 March 2014 and 31 March 2013 and the Restated Standalone Statement of Profit and Loss and the Restated Standalone Statement of Cash Flows for the years ended 31 March 2014 and 31 March 2013 (hereinafter collectively referred to as "Restated Standalone Financial Information") have been prepared specifically for inclusion in the Offering Document to be filled by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering through Offer for Sale (IPO) of its equity shares. These Restated Standalone Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 on Prospectus and Allotment of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 ("the SEBI Regulations") as amended from time to time.

The Restated Standalone Financial Information are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the 2013 Act read with relevant provisions of the 2013 Act / 1956 Act, as applicable.

The Accounting Policies adopted in the preparation of the Restated Standalone Financial Information are consistent with those followed in the previous years.

Use of Estimates:

The preparation of Restated Standalone Financial Information in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the Restated Standalone Financial Information are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods on which the results are known/ materialise.

Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of business, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Fixed Assets:

Fixed Assets are carried at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost of fixed assets comprise of purchase price, duties, levies and directly attributable costs of bringing the assets to its working condition for intended use.

Depreciation :

Depreciation on fixed assets is provided on a straight-line basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation is provided at 100% on items of fixed assets costing less than ₹5,000 in the year of purchase. Cost of leasehold land and leasehold improvements is amortized over the period of lease.

Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Computer software and Goodwill on amalgamation are amortized over a period of five years.

Impairment Loss :

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Investments :

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. Provision is made to recognize a decline, other than temporary, in the carrying amount of long term investments.

Inventories :

Items of inventories are valued at cost or net realizable value, whichever is lower, Cost is determined on First In First Out basis.

Cash and cash equivalents (for purposes of Cash Flow Statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an - original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Borrowing Costs :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets, being assets (rigs) which take six to eight months in becoming ready for intended use, are capitalized as part of the cost of such assets. All other borrowing costs are charged to revenue.

Revenue Recognition :

Revenue (income) is recognized when no significant uncertainty as to determination or realization exists. Revenue from sale of goods is recognised upon delivery in accordance with the terms of the individual contracts and on transfer of significant risks and rewards in respect of ownership to the buyer. Income from oil drilling and exploration is recognized when services are rendered as per the terms of the contractual arrangements.

Operating lease income is recognized as per the terms of the lease contract.

Interest income is recognized on a time proportion basis, taking into consideration the amount outstanding and the applicable rate.

Dividend income is recognized when the Company's right to receive dividend is established.

Foreign Currency Transactions :

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization/ payment of foreign exchange are accounted for in the relevant year as income or expense except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets. In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.

In case of forward exchange contracts or other financial instruments that are in substance forward exchange contracts, other than for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gains / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognized as income or expense.

Employee Benefits :

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan :

Provident Fund:

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute/ Rules.

Defined Benefit Plan :

Gratuity:

The Company has taken a group gratuity policy from SBI Life Insurance Company Limited and Life Insurance Corporation of India. Provision is made based upon the actuarial valuation done at the end of every financial year using “Projected Unit Credit Method”. Major drivers in actuarial assumptions, typically, are years of services and employees compensation. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Other Long Term Employee Benefits:

Compensated absences:

Liability is determined on the basis of actuarial valuation made at the year end.

Taxes on Income :

Tax expense comprises both current and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income-tax payable/ recoverable in respect of the taxable income/ loss for the reporting period. Deferred tax represents the tax effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustments to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

Provisions and contingencies:

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible or present obligation where it probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
3	**Share Capital**		
	A) Details of Authorised , Issued, Subscribed and Paid up Shares		
	Authorised:		
	19,400,000 Equity Shares of ₹10/- each	194.00	194.00
	1,100,600 6% Cumulative Redeemable Preference Shares of ₹100/- each	110.06	110.06
	1,50,000 Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 10/- each	1.50	1.50
	9,00,003 Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 100/- each	90.00	90.00
	TOTAL	**395.56**	**395.56**
	Issued, Subscribed and Fully Paid Up:		
	17,546,487 (Previous year 17,443,027) Equity Shares of ₹10/- each	175.46	174.43
	900,003 (Previous year 900,003) 0.05% Optionally Convertible Cumulative Redeemable Preference Shares- Series- V of ₹100/- each #	90.00	90.00
	Nil (Previous year 500,000) 6% Cumulative Redeemable Preference Shares of ₹100/- each (Series 2009) *	-	50.00
	Nil (Previous year 600,600) 6% Cumulative Redeemable Preference Shares of ₹100/- each (Series 2012) **	-	60.06
	Nil (Previous year 25,000) 0.01% Optionally Convertible Cumulative Redeemable Preference Shares- Series - I of ₹10/- each #	-	0.25
	Nil (Previous year 75,000) 0.01% Optionally Convertible Cumulative Redeemable Preference Shares- Series- II of ₹10/- each #	-	0.75
	TOTAL	**265.46**	**375.49**
*	Redeemable at par or at a premium, as may be decided by the Board of Directors, at any time not earlier than 3 years and not later than 10 years from the date of their allotment i.e. 24th June, 2009.		
**	Issued upon amalgamation of the erstwhile John Engineering Private Limited without payment being received in cash. Redeemable after expiry of one year and before completion of two years from the date of their allotment i.e. 5th January, 2012.		
#	Issued in terms of share subscription agreement and are optionally convertible as per the terms, defined under the share subscription agreement.		

₹ in million

3.1	**Reconciliation of the number of shares**	**As at 31 March 2014 (IGAAP)**	**As at 31 March 2013 (IGAAP)**
		No. of Shares	**No. of Shares**
	Equity shares		
	At the beginning of the year	17,443,027	17,443,027
	Issued during the year	103,460	-
	At the end of the year	17,546,487	17,443,027
	6% Cumulative Redeemable Preference Shares (CRPS) - (Series 2009)		
	At the beginning of the year	500,000	500,000
	Reedemed during the year	500,000	-
		-	500,000
	6% Cumulative Redeemable Preference Shares (CRPS) - (Series 2012)		
	At the beginning of the year	600,600	600,600
	Reedemed during the year	600,600	-
	At the end of the year	-	600,600
	0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) Series-I		
	At the beginning of the year	25,000	25,000
	Converted during the year	4,272	-
	Reedemed during the year	20,728	-
	At the end of the year	-	25,000
	0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)- Series - II		
	At the beginning of the year	75,000	75,000
	Converted during the year	75,000	-
	At the end of the year	-	75,000
	0.05% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)- Series - V		
	At the beginning of the year	900,003	900,003
	At the end of the year	900,003	900,003
3.2	Each holder of the equity shares is entitled to one vote per share and in the event of liquidation of the Company to residual assets after settling all the known liabilities on the date of liquidation. The Company declares and pay dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting. The dividend proposed for the year is ₹4 per share [Previous year ₹Nil]		
3.3	Preference shareholders are entitled to receive dividend at the specified rate. If no dividend is declared, the entitlement is cumulated. Preference shareholders are not entitled to vote. Upon conversion of all or any portion of the OCCRPS to equity shares, the resultant equity shares shall rank pari-passu with the equity shares existing on date of conversion.		

₹ in million

C) Shareholders holding more than 5% of share capital

3.4	**Details of shareholding in excess of 5%**	**As at 31 March 2014 (IGAAP)**	**As at 31 March 2013 (IGAAP)**
a)	**Names of the equity shareholders**	**No. of Shares**	**No. of Shares**
	Maheshkumar N. Vyas	3,848,485	3,848,485
		21.93%	22.06%
	Dilipkumar N. Vyas	1,180,355	1,180,355
		6.73%	6.77%
	Chiragkumar M. Vyas	941,960	941,960
		5.37%	5.40%
	John Oil And Gas Limited	2,283,940	2,283,940
		13.02%	13.09%
	Rakesh Radheshyam Jhunjhunwala	3,345,169	3,345,169
		19.06%	19.18%
	India Rig Company	2,859,867	2,859,867
		16.30%	16.40%
b)	**Name of the CRPS shareholder (Series 2009)**	**No. of shares and**	**No. of shares and**
	John Oil And Gas Limited	-	500,000
		0.00%	100.00%
c)	**Names of the CRPS shareholders (Series 2012)**	**No. of shares and % of holding**	**No. of shares and % of holding**
	Maheshkumar N. Vyas	-	168,168
			28.00%
	Other loans and advances includes prepaid expenses, customs duty, VAT receivables, balance in CENVAT, etc.	-	198,198
			33.00%
		-	192,192
			32.00%
d)	**Name of the OCCRPS- Series- I shareholder**	**No. of shares and % of holding**	**No. of shares and % of holding**
	IL&FS Financial Services Limited	-	25,000
		-	100.00%
e)	**Name of the OCCRPS- Series- II shareholder**	**No. of shares and % of holding**	**No. of shares and % of holding**
	IL&FS Financial Services Limited	-	75,000
		0.00%	100.00%
f)	**Name of the OCCRPS- Series- V shareholder**	**No. of shares and % of holding**	**No. of shares and % of holding**
	ICICI Bank Limited	900,003	900,003
		100.00%	100.00%

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
4	**Reserves and Surplus**		
	Securities Premium Reserve		
	As per last balance sheet	2,618.82	2,618.82
	Less: Redemption premium on OCCRPS	0.24	-
		2,618.58	**2,618.82**
	Capital Redemption Reserve		
	As per last balance sheet	-	-
	Add: Transfer from balance in Statement of Profit and Loss on redemption of shares	110.27	-
		110.27	**-**
	General Reserve		
	As per last balance sheet	7.25	7.25
	Add: Transfer from balance in Statement of Profit and Loss	58.17	-
		65.42	**7.25**
	Balance in the Statement of Profit and Loss		
	As per last balance sheet	1,671.06	1,260.26
	Profit for the year	561.81	418.58
	Less: Transfer to capital redemption reserve	(110.27)	-
	Less: Transfer to general reserve	(58.17)	-
	Less: Proposed dividend on preference shares	(3.16)	(6.65)
	Less: Proposed dividend on equity shares	(69.78)	-
	Corporate dividend tax	(12.40)	(1.13)
		1,979.09	**1,671.06**
	TOTAL	**4,773.36**	**4,297.13**

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
5	**Long-term borrowings (Secured)**		
	Term Loans		
	From banks [Refer notes 5.1 and 5.4]	2,799.82	2,654.62
	From others [Refer notes 5.2 and 5.4]	3.89	37.10
		2,803.71	**2,691.72**
	Other loans and advances		
	Vehicle loans from banks [Refer notes 5.3 and 5.4]	10.78	5.81
	TOTAL	**2,814.49**	**2,697.53**
5.1	Term loans from banks including current maturities thereof [Refer note 10] are secured by hypothecation of movable fixed assets of the Company including machinery spares, tools and accessories, escrow accounts for certain rigs and personal guarantees of certain directors. Certain term loans are further secured by current assets, mortgage of land and building, residential properties of the directors, assignment of key man insurance policies, land and building and Corporate Gurantee of John Oil and Gas Limited, company under the same management.		
5.2	Terms loans from others including current maturities thereof [Refer note 10] are secured by hypothecation of the equipment purchased there against.		
5.3	Vehicle loans from banks including current maturities thereof [Refer note 10] are secured by hypothecation of the vehicles financed.		
5.4	Rate of interest ranges from 2% to 15% p.a and maturity profile of long term borrowings is set out below:		
	Term loans and other loans and advances	Maturity Profile	
	1-2 years	828.21	684.42
	2-3 years	617.83	683.48
	beyond 3 years	1,368.45	1,329.63

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
6	**Deferred Tax Labilities (Net)**		
	Differences between tax and books written down values of fixed assets	(921.23)	(804.51)
	Provision for doubtful debts/ advances	-	8.32
	Disallowance u/s 43B of the Income-tax Act, 1961, etc.	12.48	7.53
	Deferred Tax Labilities (Net)	**(908.75)**	**(788.66)**

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
7	**Long-term provisions**		
	For employee benefits		
	Compensated absences	1.42	0.93
	TOTAL	**1.42**	**0.93**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
8	**Short Term Borrowings**		
	Secured		
	Loans repayable on demand		
	Working capital loans from banks [Refer note 8.1 and 8.2]	1,096.00	1,076.31
	Unsecured		
	Other loans and advances		
	From directors [Refer note 8.2]	141.40	69.00
	From others [Refer note 8.2]	31.00	28.00
	TOTAL	**1,268.40**	**1,173.31**
8.1	Working capital loan repayable on demand are secured by first pari passu charge change on all movable fixed assets of the company and personal guarantee of certain directors of certain directors. Certain working capital loansare also secured by mortgage of land, building, residential properties of the directors, assignment of key man insurance policies, land and building and corporate guarantee of John Oil and Gas Limited, company under the same management.		
8.2	Rate of interest ranges from 10% to 15% p.a.		

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
9	**Trade payables**		
	Trade payables [Refer note 9.1]	717.18	806.62
	TOTAL	**717.18**	**806.62**
9.1	There are no dues to Micro, Small and Medium Enterprises, based on the information avaliable with the Company, and therefore disclosures under the Micro, Small and Medium Enterprises Development Act,		

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
10	**Other Current Liabilities**		
	Creditors for capital goods	362.70	1,524.30
	Current maturities of long-term borrowings [Refer note 5]	740.06	615.42
	Interest accrued but not due on borrowings	16.29	23.00
	Statutory dues [Refer note 10.1]	71.62	108.95
	For employee benefits- Gratuity [Refer note 33]	20.81	5.70
	TOTAL	**1,211.48**	**2,277.37**
10.1	Statutory dues includes payables in respect of service tax, TDS and others.		

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
11	**Short-term provisions**		
	For Wealth tax	0.13	0.09
	For Income tax (net of advance tax of ₹36.88 Million/- (Previous year ₹29.96 Million/-)	137.11	121.46
	Proposed dividend on preference shares	3.16	6.65
	Proposed dividend on equity shares	69.78	-
	Corporate dividend tax	12.40	1.13
	For employee benefits- Compensated absences	0.50	0.11
	TOTAL	**223.08**	**129.44**

Note No.12 - Fixed Assets ***₹ in million***

For the year ended 31 March 2014

Description of assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As at 1 April 2013 (IGAAP)	Additions	Deductions and adjustments during the	As at 31 March 2014 (IGAAP)	Upto 31 March 2013 (IGAAP)	For the year	Deductions/ adjustments	Upto 31 March 2014 (IGAAP)	As at 31 March 2014 (IGAAP)
Tangible Assets									
Freehold land	10.38	-	-	**10.38**	-	-	-	-	**10.38**
Leasehold land [Refer note 12.1]	1.21	-	-	**1.21**	0.31	0.01	-	**0.32**	**0.88**
Building and roads	48.18	0.95	-	**49.13**	8.90	1.44	-	**10.34**	**38.79**
Plant and equipment [Refer note 12.2]	8,407.87	2,145.98	102.33	**10,451.52**	1,512.85	346.42	12.17	**1,847.10**	**8,604.43**
Electric installation	3.14	0.03	-	**3.17**	1.19	0.22	-	**1.41**	**1.75**
Furniture and fixtures	17.83	0.16	-	**17.99**	6.42	1.22	-	**7.64**	**10.36**
Office equipment	15.68	10.16	-	**25.84**	8.71	2.24	-	**10.95**	**14.89**
Computers	15.80	1.63	-	**17.43**	10.74	2.94	-	**13.68**	**3.75**
Vehicles	46.66	11.80	-	**58.46**	18.13	4.68	-	**22.81**	**35.65**
(A)	**8,566.75**	**2,170.71**	**102.33**	**10,635.13**	**1,567.25**	**359.17**	**12.17**	**1,914.25**	**8,720.88**
Intangible Assets									
Computer Software	5.36	0.47	-	**5.83**	3.85	0.91	-	**4.76**	**1.07**
Goodwill	48.74	-	-	**48.74**	29.25	9.75	-	**39.00**	**9.74**
(B)	**54.10**	**0.47**	**-**	**54.57**	**33.10**	**10.66**	**-**	**43.76**	**10.81**
TOTAL (A+B)	**8,620.85**	**2,171.18**	**102.33**	**10,689.70**	**1,600.35**	**369.83**	**12.17**	**1,958.01**	**8,731.69**
Capital work-in-progress {Refer note 12.3]									-

For the year ended 31 March 2013

Description of assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As at 1 April 2012 (IGAAP)	Additions	Deductions and adjustments during the	As at 31 March 2013 (IGAAP)	Upto 31 March 2012 (IGAAP)	For the year	Deductions/ adjustments	Upto 31 March 2013 (IGAAP)	As at 31 March 2013 (IGAAP)
Tangible Assets									
Freehold land	10.38	-	-	**10.38**	-	-	-	-	**10.38**
Leasehold land [Refer note 12.1]	1.23	-	0.02	**1.21**	0.30	0.01	-	**0.31**	**0.90**
Building and roads	45.14	3.07	0.03	**48.18**	7.56	1.35	0.01	**8.90**	**39.28**
Plant and equipment [Refer note 12.2]	6,522.76	1,954.36	69.25	**8,407.87**	1,254.29	260.26	1.70	**1,512.85**	**6,895.02**
Electric installation	3.11	0.03	-	**3.14**	0.97	0.22	-	**1.19**	**1.95**
Furniture and fixtures	17.52	0.31	-	**17.83**	5.24	1.18	-	**6.42**	**11.41**
Office equipment	15.20	0.48	-	**15.68**	7.08	1.63	-	**8.71**	**6.97**
Computers	14.94	0.86	-	**15.80**	8.05	2.69	-	**10.74**	**5.06**
Vehicles	46.02	0.64	-	**46.65**	13.81	4.32	-	**18.13**	**28.53**
(A)	**6,676.30**	**1,959.75**	**69.30**	**8,566.75**	**1,297.30**	**271.66**	**1.71**	**1,567.25**	**6,999.50**
Intangible Assets									
Computer Software	5.14	0.22	-	**5.36**	2.99	0.86	-	**3.85**	**1.51**
Goodwill	48.74	-	-	**48.74**	19.50	9.75	-	**29.25**	**19.49**
(B)	**53.88**	**0.22**	-	**54.10**	**22.49**	**10.61**	-	**33.10**	**21.00**
TOTAL (A+B)	**6,730.18**	**1,959.97**	**69.30**	**8,620.85**	**1,319.79**	**282.27**	**1.71**	**1,600.35**	**7,020.50**

Capital work-in-progress [Refer note 12.3]	**1,357.30**

12.1 Leasehold land has been taken on lease from Gujarat Industrial Development Corporation (GIDC) for a period of 99 years. Title deed in respect thereof is in the name of GIDC.

12.2 Additions to plant and equipment include borrowing costs of ₹ Nil) Previous year ₹2.55 million) and exchange difference (loss) of ₹238.71 million (Previous year ₹136.10 million)

12.3 Additions to capital work-in-progress include borrowing cost of ₹ Nil (Previous year ₹5.95 million).

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
13	**Non Current Investments**		
	(Non trade)		
a)	**Quoted**		
	Fully paid up equity shares of ₹10/- each		
	4,000 shares of Bank of India Limited	0.18	0.18
b)	**Unquoted**		
	In 100% Subsidiaries		
	Fully paid up equity shares of ₹10/- each		
	50,000 shares in Synergy Drilling Fluids Private Limited	0.50	0.50
	50,000 shares in John Drilling Services Private Limited	0.50	0.50
	Fully paid up equity shares of AED.1,000/- each		
	200 shares (Previous year Nil) in John Energy International DMCC	3.37	-
	TOTAL	**4.55**	**1.18**
	Aggregate cost of:		
	Quoted investments	0.18	0.18
	Unquoted investments	4.37	10.00
		4.55	**10.18**
	Market value of quoted investments	0.92	1.21

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
14	**Long Term Loans and Advances**		
	(Unsecured and considered good)		
	Advance tax (net of provision for tax)	159.39	143.52
	MAT credit entitlement	297.45	244.57
	Lease and security deposits	1.90	4.15
	Capital advances	56.60	65.83
	Other loans and advances [Refer note 14.1]	69.35	30.39
	TOTAL	**584.69**	**488.46**
14.1	Other loans and advances includes prepaid expenses, service tax input credit, balance in CENVAT, etc.		

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
15	**Inventories**		
	Stores and spares	**678.56**	582.96
	Raw Material and components	-	6.94
	TOTAL	**678.56**	**589.90**

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
16	**TRADE RECEIVABLES**		
	(Unsecured)		
	Considered Good		
	Debts outstanding for a period exceeding six months from due date	145.09	279.75
	Other Debts	1,028.39	1,184.01
		1,173.48	1,463.76
	Considered Doubtful		
	Debts outstanding for a period exceeding six months from due date	-	17.73
	Less: Provisions	-	(17.73)
		-	-
	TOTAL	**1,173.48**	**1,463.76**

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
17	**Cash and Bank Balances**		
	Cash and cash equivalents		
	Cash on hand	0.60	0.54
	Balances with banks in current accounts	341.34	151.51
		341.94	152.05
	Other bank balances		
	Balances with banks in deposit & margin monies accounts [Refer notes 17.1 and 17.2]	140.61	172.98
	TOTAL	**482.55**	**325.03**
17.1	Deposits/ margin monies include ₹20.07 Million (Previous year ₹22.41 Million) with maturity of more than 12 months.		
17.2	Deposits/ margin monies include ₹139.17 Million/- (Previous year ₹119.72 Million/-) on which banks have a lien.		

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
18	**Short Term Loans and Advances**		
	(Unsecured)		
	Considered Good		
	Lease deposits	-	1,101.70
	Advance to vendors	60.28	60.31
	Loans and advances to related parties [Refer note 34]	53.88	2.50
	Other loans and advances [Refer note 18.1]	26.27	129.96
		140.43	1,294.47
	Considered Doubtful		
	Advance to vendors	-	6.76
	Less: Provisions	-	(6.76)
		-	-
	TOTAL	**140.43**	**1,294.47**
18.1	Other loans and advances includes prepaid expenses, customs duty, VAT receivables, balance in CENVAT, etc.		

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
19	**Other Current Assets**		
	Unbilled revenue	382.88	-
	Interest accrued on fixed deposits	4.79	5.88
	TOTAL	**387.67**	**5.88**

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
20	**Revenue from:**		
	Oil drilling and exploration services	5,169.58	4,263.56
	Sale of rig accessories	12.24	21.23
		5,181.82	**4,284.79**
	Gross Turnover of Drilling Rigs	6.86	5.76
	Less: Excise duty	(0.21)	(0.60)
	Net Turnover	**6.65**	**5.16**
	TOTAL	**5,188.47**	**4,289.95**

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
21	**Other Income**		
	Interest Income:		
	On bank deposits	12.14	8.00
	On income-tax refund	0.05	6.35
		12.19	**14.35**
	Scrap Sales	1.01	1.85
	Profit on sale of non-current investments (Long term)	-	0.65
	Dividend income on non-current investments (Long term)	0.06	0.03
	Exchange differences (net)	-	30.56
	Miscellaneous income	1.38	46.91
	TOTAL	**14.64**	**94.35**

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
22	**Changes in Inventories of Finished goods:**		
	Stock of finished goods as at March 31, 2014	**-**	**-**
	Less: Stock as at April 1, 2013	-	0.26
	Decrease	**-**	**0.26**

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
23	**Operating Expenses for Drilling and Workover Rigs**		
	Rig site expenses:		
	a) Technical fees	287.00	327.92
	b) Manpower cost	248.03	208.64
	c) Catering and other site expense	386.03	241.22
	d) Equipment rentals [Refer note 29]	186.76	107.40
	e) Transportation	47.91	32.79
	f) Rent [Refer note 29]	64.56	52.11
		1,220.29	**970.08**
	Stores and Spares consumed [Refer note 32]	451.85	505.39
	Power and fuel	421.31	446.54
	Rig movement expense	331.59	241.72
	Repairs and maintenance- Plant and machineries	41.94	25.34
	Rebates, settlements & liquidated damages	149.26	27.84
	TOTAL	**2,616.24**	**2,216.91**

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
24	**Manufacturing Expenses**		
	Raw Material and Components (Indigenous)	4.84	6.74
	Other manufacturing expenses	1.04	0.14
	TOTAL	**5.88**	**6.88**

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
25	**Employee Benefit Expenses**		
	Salaries, bonus and allowances	552.43	459.38
	Contributions to provident fund and other funds [Refer note 33]	28.91	21.61
	Staff welfare expenses	9.37	11.61
	TOTAL	**590.71**	**492.60**

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
26	**Finance Cost**		
	Interest on term loan from banks	238.17	193.60
	Interest on working capital loans	157.13	153.69
	Other borrowing costs	52.33	54.74
	TOTAL	**447.63**	**402.03**
26.1	Other borrowing costs include bank charges, bank guarantee commissions, interest on delayed payments, etc.		

JOHN ENERGY LIMITED

ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
27	**Other Expenses**		
	Rent [Refer note 29]	23.46	11.00
	Rates and taxes	51.83	37.72
	Other loans and advances includes prepaid expenses, customs duty, VAT receivables, balance in CENVAT, etc.	0.23	0.77
		7.53	5.51
	Insurance	31.16	31.78
	Travelling and conveyance	98.18	83.33
	Legal and professional fees	18.78	38.39
	Communication expenses	15.63	15.50
	Vehicle expenses	18.79	11.09
	Loss on sale/ disposal of fixed assets (net)	9.21	3.00
	Donation	0.76	0.64
	Exchange differences (net)	49.94	-
	Provision for doubtful debts	-	7.03
	Bad debts	19.72	0.20
	Miscellaneous expenses	24.58	26.22
	TOTAL	**369.80**	**272.18**
	Payment to auditors:		
	Audit fees	2.50	2.30
	As advisor or in any other capacity in respect of:		
	a) Taxation matters	0.45	-
	b) In any other manner (certification work, etc.)	2.12	0.11
	c) For expenses	0.01	0.03
	TOTAL	**5.08**	**2.44**

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.		As at 31 March 2014 (IGAAP)	As at 31 March 2014 (IGAAP)
28	**Contingent liabilities and Commitments:**		
a)	Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	204.27	209.51
b)	Service tax demands disputed in appeals Primarily relates to classification of services for period 2004 to 2010. The matter is pending before CESTAT, Ahmedabad.		
c)	Income tax demands disputed in appeals Demands received for assessment years- 2002-03 to 2009-10 and primarily relates to disallowance of depreciation. The matter is pending before the Income Tax Appellate Tribunal (ITAT) and Commissioner of Income Tax (Appeals). In respect of the disputed demands, the Company is hopeful of succeeding in appeals and as such does not expect any significant	99.07	99.07
d)	Performance guarantees issued to clients	842.83	655.59

Note No.	
29	**Lease Transactions:** The Company has taken certain Premises/ Yards/ Equipment's/ Rigs on cancellable operating lease basis. The tenure of these leases ranges from 11-48 months with an option of foreclosure. Charge of lease rentals on this count is ₹ 274.78 Million (Previous year ₹170.51 Million).

Note No.			
30	**Earnings per share (EPS)** EPS is calculated by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:		
		31 March 2014	**31 March 2013**
	Net profit for the year after tax	**561.81**	**418.58**
	Less: Dividend on cumulative redeemable preference shares including tax thereon	3.70	7.78
	Net Profit for the year attributable to equity shareholders for basic EPS	**558.11**	**410.80**
	Add: Dividend on cumulative convertible preference shares including tax thereon	0.05	0.05
	Net Profit for the year attributable to equity shareholders for diluted EPS	**558.16**	**410.85**
	Weighted average number of equity shares outstanding during the year (for calculating basic EPS)	**17,444,444**	**17,443,027**
	Add: Potential equity shares that could arise on conversion of preference shares	927,457	951,480
	Weighted average number of equity shares outstanding during the year (for calculating diluted EPS)	**18,371,901**	**18,394,507**
	Basic Earnings per Share (₹)	31.99	23.55
	Diluted Earnings per Share (₹)	30.38	22.34
	Nominal value per share (₹)	10.00	10.00

JOHN ENERGY LIMITED
ANNEXURE-V: NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

₹ in million

Note No.				
31	**Segment information:**			
	Primary:			
	Business' is the primary segment of the Company, which in reportable terms is the Oil drilling and exploration services and other related services in connection therewith.			
	Secondary:			
	The Company has two geographical segments based upon location of its customers - within and outside India:			
	Particulars	**Within India**	**Outside India**	**Total**
a)	Revenue	3,388.11	1,800.35	**5,188.47**
		(2,974.84)	(1,315.10)	(4,289.94)
b)	Segment assets	8,798.48	2,441.20	**11,239.68**
		(9,557.48)	(2,268.80)	(11,826.28)
c)	Cost incurred on acquisition of fixed assets	1,814.35	106.30	**1,920.65**
		(923.69)	(12.63)	(936.32)
	Figures in brackets are for the previous year.			

Note No.			
32	**Additional information:**		
a)	**Expenditure in foreign currency:**	**For year ended 31 March 2014 (IGAAP)**	**For year ended 31 March 2013 (IGAAP)**
	Rig site expenses	550.71	382.75
	Rig movement expenses	65.21	45.23
	Finance costs	100.50	100.67
	Rent expenses	15.24	29.76
	Salaries, bonus and allowances	120.31	84.39
	Insurance	12.57	12.21
	Rates and taxes	34.76	24.08
	Travelling	31.13	19.57
	Others	81.86	55.93
b)	**CIF value of imports:**		
	Capital Goods	224.24	1,596.15
	Stores and spares	454.21	488.77
c)	**Earnings in foreign currency:**		
	Oil drilling and exploration services(net)	4,189.48	3,573.56
d)	**Imported and Indigenous Stores and Spares Consumed**		
	Imported	175.12	183.77
		38.76%	36.36%
	Indigenous	276.73	321.62
		61.24%	63.64%
		451.8	**505.3**
		100.00%	**100.00%**

₹ in million

Note No.			
33	**Employee Benefits:**		
a)	**Defined Contribution Plan:**		
	Both the employees and the Company make predetermined contributions to the Provident Fund. Amount recognized as expense amounts to ₹11.91 Million (Previous year ₹11.31 Million).		
b)	**Defined Benefit Plan: Gratuity (Funded)**	**31 March 2014**	**31 March 2013**
	I - Expense recognized in the Statement of Profit and Loss:		
	Current service cost	4.55	3.53
	Interest cost	1.89	1.53
	Expected return on plan assets	(1.56)	(1.63)
	Actuarial loss	10.82	5.59
	Expense recognized during the year	**15.69**	**9.03**
	II - Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:		
	As at the beginning of the Year	23.60	18.06
	Current service cost	4.55	3.53
	Interest cost	1.89	1.53
	Benefits paid	(2.44)	(2.83)
	Benefits paid by employer	(0.58)	(2.24)
	Actuarial loss	11.61	5.54
	As at the end of the year	**38.61**	**23.60**
	III - Movement in net liability / (asset) recognized in Balance Sheet		
	As at the beginning of the Year	5.70	(1.10)
	Expenses recognized during the year	15.69	9.03
	Contributions made	(0.58)	(2.24)
	As at the end of the year	**20.81**	**5.70**
	IV - Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof:		
	Fair value of plan assets at the beginning of the year	17.90	19.15
	Expected return on plan assets	1.56	1.63
	Actuarial gains/ (losses) on plan assets	0.79	(0.05)
	Benefits Paid	(2.44)	(2.83)
	Fair value of plan assets at the end of the year	**17.81**	**17.90**
	V - Net liability recognized in the Balance Sheet		
	Present value of obligation as at the end of the year	38.61	23.60
	Fair value of plan assets as at the end of the year	17.81	17.90
	Net liability/ (asset) recognised in the Balance Sheet	20.81	5.70
	VI - Return on plan assets		
	Expected return on plan assets	1.56	1.63
	Actuarial (losses)/gains	0.79	(0.05)
	Actual return on plan assets	2.35	1.57
	VII - The major categories of plan assets as a percentage of total plan assets		
	Insurer Managed Funds	100%	100%

₹ in million

VIII - Experience adjustment on		
Plan liabilities loss	1.09	4.07
Plan assets loss	0.79	(0.05)
IX - Principal actuarial assumptions		
Mortality	Indian Assured Lives (2006-08)	
Discount rate	8.93%	8.00%
Estimated rate of return on plan assets	8.70%	8.70%
Annual increase in salary costs	8.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuarial calculations used to estimate defined benefit commitments and expenses in respect of gratuity are basedon the above assumptions which if changed, would affect the defined benefit commitment's size and the expense. Theaforesaid information is as certified by the actuary.

₹ in million

Note No.				
34	**Related Party Disclosure:**			
(i)	*Names of related parties and description of relationship where control exists*			
	Subsidiary Companies			
	Synergy Drilling Fluids Private Limited			
	John Drilling Services Private Limited			
	John Energy International DMCC [with effect from 01.04.2013]			
(ii)	Names and details of transactions with related parties			
	Name of the related party and nature of transactions	**Nature of relationship**	**For year ended 31 March 2014 (IGAAP)**	**For year ended 31 March 2013 (IGAAP)**
	Synergy Drilling Fluids Private Limited	Subsidiary		
	Loan given		5.60	3.50
	Loan repaid		5.00	2.91
	Closing balance - debit		3.10	2.50
	John Energy International DMCC	Subsidiary		
	Investment in shares		3.37	-
	Loan given		50.81	-
	Closing balance - debit		50.78	-
	John Oil and Gas Limited	Enterprise over which key management person and his relatives have significant influence		
	Rent Paid		5.40	5.40
	Vehicle hire charges		0.18	0.18
	Reimbursment of Expenses		0.02	0.02
	Dividend on Prefrence shares		3.00	8.31
	Redemption of Preference Shares		50.00	-
	Closing balance - (credit)		(8.54)	(3.61)
	Mr. Maheshkumar Vyas	Key Management Person (KMP)		
	Managerial Remuneration		34.47	29.47
	Loan Taken		55.90	38.50
	Loan Repaid		-	1.50
	Interest on Loan		7.65	1.15
	Dividend on Preference shares		1.01	0.24
	Redemption of Preference Shares		16.82	-
	Closing balance - (credit)		(130.56)	(60.44)

₹ in million

	Name of the related party and nature of transactions	Nature of relationship	For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
	Mr. Dilipkumar Vyas	Key Management Person (KMP)		
	Managerial Remuneration		9.80	9.80
	Loan Taken		4.30	23.00
	Loan Repaid		-	1.50
	Interest on Loan		3.55	0.63
	Dividend on Preference shares		0.11	0.03
	Redemption of Preference Shares		1.80	-
	Closing balance - (credit)		(29.40)	(23.38)
	Mr. Chiragkumar Vyas	Key Management Person (KMP)		
	Managerial Remuneration		1.44	1.44
	Loan Taken		12.20	10.50
	Interest on Loan		2.95	0.28
	Dividend on Prefrence shares		0.07	0.02
	Redemption of Preference Shares		1.20	-
	Closing balance - (credit)		(23.55)	(10.94)
	Mr. Chintankumar Vyas	Relative of KMP		
	Salaries, bonus and allowances		1.29	1.21
	Reimbursement of Expenses		-	0.04
	Advance Given		0.01	-
	Closing balance - debit		0.02	0.01
	Mr. Rajkumar Vyas	Relative of KMP		
	Salaries, bonus and allowances		0.25	-
	Mr. Ruchitkumar Vyas	Relative of KMP		
	Salaries, bonus and allowances		0.01	-
	Mrs. Rasilaben Vyas	Relative of KMP		
	Redemption of Preference Shares		0.60	-
	Dividend on Prefrence shares		0.04	0.01
	Mrs. Abhaben Vyas	Relative of KMP		
	Redemption of Preference Shares		0.60	-
	Dividend on Prefrence shares		0.04	0.01
	Mr. Natvarlal Vyas	Relative of KMP		
	Redemption of Preference Shares		19.82	-
	Dividend on Prefrence shares		1.19	0.28
(iii)	There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.			

₹ in million

35 Derivative Instruments:

The Company has entered into the following derivative instruments to hedge the interest rate risk and currency risk. The Company does not use these contracts for speculative purposes.

(a) Outstanding swap agreement to hedge against fluctuation from floating to fixed interest rate changes:

	Notional value of contract outstanding		
As at	**No. of contracts**	**USD Notional Amount**	**INR Equivalent Amount**
31st March, 2014	3	12.75	766.27
31st March, 2013	3	17.38	945.01

(b) Outstanding swap agreement to hedge against fluctuation in currency and interest rate changes:

	Notional value of contract outstanding		
As at	**No. of contracts**	**JPY Notional Amount**	**INR Equivalent Amount**
31st March, 2014	-	-	-
31st March, 2013	3	150.68	59.68

₹ in million

(c) The year end foreign currency exposure that have not been hedged by a derivative instrument are given below:

Particulars	Payables		Receivables	
	Foreign Currency	INR Equivalent Amount	Foreign Currency	INR Equivalent Amount
USD	48.26	2,900.72	19.08	1,146.56
	(73.67)	(4,006.84)	(24.45)	(1,329.70)
CDN	0.00	0.12	-	-
	(0.01)	(0.37)	(-)	(-)
DZD	289.30	221.04	407.95	311.70
	(258.72)	(180.00)	(36.01)	(25.05)
EURO	-	-	0.01	0.65
	(-)	(-)	(-)	(-)
Figures in brackets are in respect of previous year.				

As per our report of even date attached

For B S R & Associates **For and on behalf of the Board of Directors**

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Place: Ahmedabad
Date: 31 January 2018

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

ANNEXURE-VI: STATEMENT OF ADJUSTMENTS TO AUDITED STANDALONE FINANCIAL STATEMENTS

₹ in million

	For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
Net Profit After Tax (as per audited accounts)	**581.67**	**449.76**
Adjustments on account of:		
Impact of change in rate of depreciation in repect of plant and equipment (rigs) [Refer note (a)	(20.50)	(18.48)
Impact of (loss) on sale/ discard of fixed assets consequent to change in rate of depreciation (Refer note b)	(3.65)	(0.08)
	(24.15)	**(18.56)**
Tax impact		
Deferred tax asset (Refer note c)	8.21	6.31
Tax on restated Adjustments	**8.21**	**6.31**
Adjustments relating to excess provision for taxes (Including MAT) (Refer Note d)	(3.92)	(18.93)
Restated Net Profit after tax	**561.81**	**418.58**

Notes to Statement of Adjustments to the Audited Standalone Financial Statements:

a) In financial year March 31, 2012, the Company reassessed the useful lives of rigs consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. Accordingly, the written down value of the rigs as at 1st April, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. In the compilation of the restated financial statements, the life of 30 years has been retrospectively applied since the inception of the Company. The cumulative impact of this change as at April 1, 2012 resulting into accretion to the figure of reserves and surplus as on that date is ₹229.79 Million (pre-tax) with a consequential increase in depreciation charge for the 5 years being restated.

b) Adjustment represents impact on (loss)/ profit on sale/ discard of PPE consequent to change in rate of depreciation for reason as stated in Note (a) above.

c) Deferred tax represents impact consequent to change in rate of depreciation for reason as stated in Note (a) above.

d) These adjustments have been reflected in the year(s) to which they pertain. Where these relate to years prior to year ended on 31 March 2013, the effect has been given in the balance of accumulated reserves as at April 1, 2012.

2) Regroupings to Restatement of Standalone Statement of Profit and Loss

Figures have been regrouped to ensure consistency of presentation based on the latest audited financials statements. The following significant regroupings have been made in the Restated Standalone Statement of Profit and Loss:

a) For the years ended 31 March 2014 and 31 March 2013, exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs have been regrouped / reclassified from “Other expenses” to “Finance costs” in the Restated Standalone

Statement of Profit and Loss, as restated.

Effect of the above adjustments are given below.

	For the year ended	
	31 March 2014	**31 March 2013**
a) Finance costs	25.54	20.13
b) Other expenses	(25.54)	-
c) Other Income	-	20.13

b) Adjustment to restated capital creditors represent adjustment of credit notes received in the year to which it pertains.

3) Auditor's Comments in Companies (Auditor's Report) Order (Non-adjusting items):

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor’s Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section 4A of the Section 227 of the Companies Act, 1956 for financial year 2012-13 and 2013-14:

JOHN ENERGY LIMITED

ANNEXURE-VI: STATEMENT OF ADJUSTMENTS TO AUDITED STANDALONE FINANCIAL STATEMENTS

For 31 March 2013:

i) According to the information and explanations given to us, in respect of statutory dues:

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 were delays in depositing service tax and withholding tax.

b) There were no undisputed amounts payable in respect of Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable, except for Income Tax of ₹69,702/-

c) There are no cases of non-deposit with the appropriate authorities of disputed dues of Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess. Details of dues of Income Tax and Service Tax which has not been deposited as on March 31, 2013 on account of disputes are given below:

Statue	Nature of dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rupees)
Income Tax Act, 1961	Income tax	Commissioner of Income-Tax (Appeals)	2008-09	6,928,503
Service Tax Rules	Service tax	Customs, Excise and Service Tax	10.09.04 to	25,087,125

ii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions though there have been delays in repayment of installment of dues to banks during the year.

iii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have been used for long term investments being, purchase of fixed assets of amounts aggregating ₹428,877,093/-.

For 31 March 2014:

i) According to the information and explanations given to us, in respect of statutory dues:

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

b) There are no cases of non-deposit with the appropriate authorities of disputed dues of Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess. Details of dues of Income Tax and Service Tax which has not been deposited as on March 31, 2014 on account of disputes are given below:

Statue	Nature of dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rupees)
Income Tax Act, 1961	Income tax	Commissioner of Income-Tax (Appeals)	2008-09	6,928,503
Service Tax Rules	Service tax	Customs, Excise and Service Tax	10.09.04 to	25,087,125

ii) In our opinion and according to the information and explanations given to us, the Company has generally been regular in repayment of dues to financial institutions and banks during the year.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Jeyur Shah

Partner

Membership No: 045754

Place: Ahmedabad

Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas

Chairman and Managing Director

(DIN No. 00432810)

Dilipkumar Vyas

Whole-time Director

(DIN No. 00432971)

Rakesh Ghuwalewala

Company Secretary

Membership No.: A15520

Place: Ahmedabad

Date: 31 January 2018

Jayesh Asher

Chief Financial Officer

JOHN ENERGY LIMITED

ANNEXURE-VII: RESTATED STANDALONE STATEMENT OF DIVIDEND PAID

₹ in million

	For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
Proposed dividend on Preference Shares*	3.16	6.65
Proposed dividend on Equity Shares*	69.78	-
Corporate Dividend Tax	12.40	1.13
TOTAL	**85.34**	**7.78**

(a) Rate of Dividend on Equity Shares(%):		
On Equity Shares	40%	-
Dividend per Equity Share- Rupees	3.98	-

(b) Rate of Dividend on Preference Shares:		
Cumulative Redeemable Preference Shares(Series 2009)	6%	6%
Cumulative Redeemable Preference Shares(Series 2012)	6%	6%
Optionally Convertible Cumulative Redeemable Preference Shares (Series -I)	0.01%	0.01%
Optionally Convertible Cumulative Redeemable Preference Shares (Series -II)	0.01%	0.01%
Optionally Convertible Cumulative Redeemable Preference Shares (Series -V)	0.05%	0.05%

* on pro-rata basis

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

ANNEXURE-VIII: RESTATED STANDALONE STATEMENT OF CAPITALISATION

₹ in million

	Pre-offer for the year ended March 31, 2017	Adjusted for Post Offer*
Debt		
Long-term borrowings	2,783.37	[*]
Current maturities of long-term borrowings	724.07	[*]
Short term borrowings	1,454.75	[*]
Total Borrowings	**4,962.19**	[*]
Shareholders' funds		
Share Capital	183.67	[*]
Other Equity	4,931.25	[*]
Total Shareholders' funds	**5,114.92**	[*]
Debt / Equity Ratio	**0.97**	**[*]**

[*] Post Issue Capitalization will be determined after finalization of issue price.

Notes:

1) The above have been computed on the basis of restated statement of accounts.

2) For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors

Jeyur Shah
Partner
Membership No: 045754

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Place: Ahmedabad
Date: 31 January 2018

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

ANNEXURE-IX: RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS

₹ in million

	For year ended 31 March 2014 (IGAAP)	**For year ended 31 March 2013 (IGAAP)**
Earning Per Share (EPS):		
Restated net profit after tax	**561.81**	**418.58**
Less: Dividend on cumulative redeemable preference shares including tax thereon	3.70	7.78
Restated Net Profit for the year attributable to equity shareholders for basic EPS	**558.11**	**410.80**
Add: Dividend on cumulative convertible preference shares including tax thereon	0.05	0.05
Restated Net Profit for the year attributable to equity shareholders for diluted EPS	**558.16**	**410.85**
Weighted average number of equity shares outstanding during the year (for calculating basic EPS)	**17,444,444**	**17,443,027**
Add: Potential equity shares that could arise on conversion of preference shares	927,457	951,480
Weighted average number of equity shares outstanding during the year (for calculating diluted EPS)	**18,371,901**	**18,394,507**
Nominal value per share	10.00	10.00
Basic Earnings per Share (₹)	31.99	23.55
Diluted Earnings per Share (₹)	30.38	22.34
Return on Net Worth %	11.35%	9.36%
Net asset value per equity share (₹) @	282.04	256.35
<u>@ Working of Net Asset Value per Equity Share:</u>		
Networth (A)	5,038.82	4,672.62
Less: Preference Share Capital (B)	90.00	201.06
Net Worth(C= A-B)	4,948.82	4,471.56
No. of Equity Shares Outstanding at the end of the year(D)	17,546,487	17,443,027
Net asset value per equity share (₹)	282.04	256.35
Share Capital	265.46	375.49
Reserves and Surplus, as restated	4,773.36	4,297.13
Networth	5,038.82	4,672.62

1) The ratios on the basis of Restated Standalone Financial Information have been computed as below:

$$\text{Basic Earnings per share (₹)} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted Earnings per share (₹)} = \frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares outstanding during the year}}$$

Return on net worth (%) = $\dfrac{\text{Net profit after tax as restated (excluding extraordinary Items)}}{\text{Net worth as restated (excluding Preference Share Capital) at the end of the year}}$

Net Asset Value (NAV) per equity share (₹) = $\dfrac{\text{Net worth as restated (excluding Preference Share Capital) at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$

2) Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" issued by the Institute of Chartered Accountants of India.

3) Company does not have any extraordinary items and revaluation reserve.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors

Jeyur Shah
Partner
Membership No: 045754

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Place: Ahmedabad
Date: 31 January 2018

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
ANNEXURE-X: RESTATED STANDALONE STATEMENT OF TAX SHELTER

₹ in million

	For year ended 31 March 2014 (IGAAP)	For year ended 31 March 2013 (IGAAP)
A. Profit Before Tax- As Restated	803.02	711.17
B. Company's domestic tax rate	33.99%	32.45%
C. Tax using the Company's domestic tax rate	**272.95**	**230.74**
Adjustments:		
Tax Impact of permanent differences due to:		
Donation	0.26	0.21
Penalty/ Fine	2.37	1.11
Dividend Income	(0.02)	(0.01)
Difference in tax rate - Long Term Capital Gain	-	(0.33)
Others	0.79	2.35
D. Total Tax impact of permanent differences	**3.40**	**3.32**
Tax impact on timing difference due to:		
Difference between book Depreciation and tax depreciation.	(158.32)	(156.73)
Unabsorbed Losses	-	(37.52)
Loss/(Profit) on sale of assets	3.13	1.73
Provision for doubtful debts/advances	(8.32)	2.28
Employee Benefits	5.46	2.19
E. Total Tax impact of timing differences	**(158.05)**	**(188.06)**
F. Net adjustments (D+E)	**(154.65)**	**(184.74)**
G. MAT Credit Entitlement	55.70	104.00
H. Tax Liability (C+F+G)	**174.00**	**150.00**

Note:
The aforesaid Restated Standalone Statement of Tax Shelter has been prepared as per the Restated Standalone Statement of Profit and Loss of the Company.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

INDEPENDENT AUDITORS REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

Private and Confidential

The Board of Directors
John Energy Limited
101, Shapath-3,
Sarkhej Gandhinagar Highway,
Ahmedabad – 380 054
Gujarat

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of John Energy Limited ('the Holding Company'), its subsidiaries and associate (collectively referred to as 'the Group'), which comprise of the Restated Consolidated Statement of Assets and Liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income, as applicable) and the Restated Consolidated Statement of Cash Flows for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and the Restated Consolidated Statement of Changes in Equity for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 and the summary of significant accounting policies, read together with the annexures and notes thereto and other restated financial information explained in paragraphs 8 and 9 below (collectively, the 'Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 22 January 2018 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed initial public issue of Equity shares by way of fresh issue and an offer for sale by the existing shareholders (collectively referred as 'the Offer') and is prepared in terms of the requirements of:

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the 'Rules');

   (b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provision of Securities and Exchange Board of India Act, 1992 (the 'ICDR Regulations'); and

   (c) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI') (the 'Guidance Note').

2. The preparation of the Restated Consolidated Financial Information is the responsibility of the management of the Holding Company ('Management') for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintaining adequate internal financial controls relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, Rules, ICDR Regulations and Guidance Note.

3. We have examined the Restated Consolidated Financial Information taking into consideration:

   (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 1 December 2017 in connection with the Offer; and

   (b) The Guidance Note.

4. These Restated Consolidated Financial Information have been compiled by the Management as follows:

   (a) <u>As at and for the six months period ended 30 September 2017:</u> From the audited interim consolidated financial statements of the Group as at and for the six months period ended 30 September 2017, prepared in accordance with Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) (Amendment) Rules 2016, as amended from time to time and other relevant provisions of the Act, (collectively, the 'Interim Consolidated Ind AS Financial Statements'), which have been approved by the Board of Directors at their meeting held on 22 January 2018;

(b) As at and for the years ended 31 March 2017 and 31 March 2016: From the audited consolidated financial statements of the Group as at and for the year ended 31 March 2017 and as at and for the year ended 31 March 2016 being the comparative period for the year ended 31 March 2017, prepared in accordance with Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) (Amendment) Rules 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on 31 August 2017. The audited consolidated financial statements of the Company as at and for the year ended 31 March 2016 prepared in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 ('Previous GAAP') have been approved by the Board of Directors at their meeting held on 18 July 2016;

(c) As at and for the year ended 31 March 2015: From the audited consolidated financial statements of the Group as at and for the year ended 31 March 2015, prepared in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act which has been approved by the Board of Directors at their Board meeting held on 28 August 2015. These audited consolidated financial statements of the Group as at and for the year ended 31 March 2015 have been converted into Ind AS to align accounting policies, exemptions and disclosures as adopted for the preparations of the first Ind AS financial statements for the year ended 31 March 2017. These Restated Consolidated Financial Information as at and for each of the years ended 31 March 2015 is referred to as "the Proforma Ind AS Restated Consolidated Financial Information"; and

(d) As at and for the years ended 31 March 2014 and 31 March 2013: From the audited consolidated financials statements of the Group as at and for the years ended 31 March 2014 and 31 March 2013, prepared in accordance with Accounting standards prescribed under Section 211 (3C) of the Companies Act, 1956 read with the Companies Accounting Standard Rules (2006) and which have been approved by the Board of Directors at their meeting held on 22 January 2018.

Our audit of the Group's Interim Consolidated Ind AS Financial Statements as at and for six months perid ended 30 September 2017 was conducted by placing reliance on the audited interim Ind AS financial statements of the Algeria Branch as at and for six months period ended 30 September 2017 and included in the Holding Company's interim standalone Ind AS financial statements, whose audited interim Ind AS financial statements reflect total assets of INR 725.82 million as at 30 September 2017, total revenues of INR 951.07 million and net cash outflows of INR 118.97 million for the six months period then ended. The said interim Ind AS financial statements of the Algeria Branch have been audited by the branch auditors who expressed an unmodified opinion on the interim Ind AS financial statements of the Algeria Branch and whose report has been furnished to us by the Holding Company's management for the purpose of consolidation into the interim standalone Ind AS financial statements of the Holding Company, and our opinion on the audited Interim Consolidated Ind AS Financial Statements of the Group as at and for six months period ended 30 September 2017, in so far as it relates to the amounts and disclosures included in respect of the Algeria Branch, is based solely on the report of such branch auditors.

5. Our audit of the Group's Interim Consolidated Ind AS Financial Statements as at and for six months period ended 30 September 2017 was conducted by placing reliance on the audited standalone Ind AS financial statements of two subsidiaries (including associate) as at and for the six months period ended 30 September2017, whose interim standalone Ind AS financial statements reflect total assets of INR 1,963.92 million as at 30 September 2017, total revenues of INR 224.07 million, net cash outflows of INR 0.75 million and Group's share of net profit / loss of INR Nil for the six months period then ended. The interim standalone Ind AS financial statements of these subsidiaries have been audited by other auditors as set out in the table below, who have expressed an unmodified opinion on the interim standalone Ind AS financial statements of these subsidiaries and whose reports have been furnished to us by the Holding Company's management and our opinion on the audited Interim Consolidated Ind AS Financial Statements of the Group as at and for six months period ended 30 September 2017 in so far as it relates to the amounts and

disclosures included in the Restated Consolidated Financial Information in respect of these subsidiaries, are based solely on the reports of the other auditors:

Name of Subsidiaries	Name of the auditors
Synergy Drilling Fluids Private Limited	Ashwin K. Yagnik & Co., Chartered Accountants
John Drilling Services Private Limited	Ashwin K. Yagnik & Co., Chartered Accountants
John Energy International DMCC	Shah & Alshamali Associates DMCC, Chartered Accountants

One of the subsidiary is located outside India whose interim standalone financial statements and other interim standalone financial information have been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditor as for generally accepted auditing standards applicable in that country. The Holding Company's management has converted the interim standalone financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India (Ind AS). We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company audited by us.

The other auditors of the aforesaid subsidiaries have also confirmed that the restated standalone financial information in respect of the subsidiaries for the above mentioned period:

(a) have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting years;

(b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

(c) do not contain any exceptional items that need to be disclosed separately other than those presented in the Restated Consolidated Financial Information in the respective financial years and do not contain any qualification requiring adjustments.

6. The Audit of the consolidated financial statements for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 was conducted by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, and accordingly reliance has been placed on the Restated Consolidated Financial Information examined by them for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. The financial report included for these years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 are based solely on the report dated 29 January 2018 submitted by them who have also confirmed that the Restated Consolidated Financial Information relating to the above mentioned years:

   (a) have been made placing reliance on the report of branch auditors on the financial statements of Algeria Branch, which have been audited by branch auditors and whose reports were furnished to the predecessor auditors by the Holding Company's management in so far as it relates to the amounts and disclosures included in the Restated Consolidated Financial Information in respect of the Algeria Branch;

   (b) have been made placing reliance on the report of other auditors on the standalone financial statements of the subsidiaries, as disclosed in Paragraph 6 above, which have been audited by other auditors and whose reports were furnished to the predecessor auditors by the Holding Company's management in so far as it relates to the amounts and disclosures included in the Restated Consolidated Financial Information in respect of the subsidiaries;

   (c) have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting years;

   (d) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

(e) do not contain any exceptional items that need to be disclosed separately other than those presented in the Restated Consolidated Financial Information in the respective financial years and do not contain any qualification requiring adjustments.

7. Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of the Rules, ICDR Regulations, Guidance Note and terms of our engagement agreed with you, we report that:

(a) The Restated Consolidated Statement of Assets and Liabilities of the Group as at 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined and reported upon by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and as at 30 September 2017 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI of the Restated Consolidated Financial Information.

(b) The Restated Consolidated Statement of Profit and Loss of the Group for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined and reported upon by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and for the period ended September 30, 2017 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI of the Restated Consolidated Financial Information.

(c) The Restated Consolidated Statement of Cash flows of the Group for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 examined and reported upon by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regroupings / reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI of the Restated Consolidated Financial Information.

(d) The Restated Consolidated Statement of Changes in Equity of the Group for the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined and reported upon by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, on which reliance has been placed by us, and for the period ended 30 September 2017 examined by us, as set out in Annexure IV to this report, have been arrived at after making adjustments and regroupings / reclassifications as in our opinion, were appropriate and more fully described in the Statement of Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VI of the Restated Consolidated Financial Information.

(e) Based on the above and according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, for the respective years and reports submitted by the branch and other auditors to us, we further report that the Restated Consolidated Financial Information:

i. have been made after incorporating adjustments for changes in accounting policies retrospectively in respective financial years/ period to reflect the same accounting treatment as per changed accounting policy for all the reporting years/ period;

ii. have been made after incorporating adjustments for the material amounts in the respective financial years/ period to which they relate; and

iii. do not contain any exceptional items that need to be disclosed separately, other than those presented in the Restated Consolidated Financial Information in the respective financial years/ period and do not contain any qualification requiring adjustments.

8. We have also examined the following Restated Consolidated Financial Information of the Group as set out in the following Annexures prepared by the Management and approved by the Board of Directors on 22 January 2018 for the six months ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015. In respect of the years ended 31 March 2017, 31 March 2016 and 31 March 2015, these Restated Consolidated Financial Information of the Group have been included based upon the reports submitted by predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants and relied upon by us:

(i) Restated Consolidated Statement of Basis of Preparation and Significant Accounting Policies as enclosed in Note 1 and Note 2 of Annexure V;
(ii) Restated Consolidated Statement of Property, Plant & Equipment and Depreciation / Amortisation Expenses as enclosed in Note 3.1 and Note 3.2 of Annexure V;
(iii) Restated Consolidated Statement of Non-current Financial Assets - Investments as enclosed in Note 4 of Annexure V;
(iv) Restated Consolidated Statement of Non-current Financial Assets - Others as enclosed in Note 5 of Annexure V;
(v) Restated Consolidated Statement of Non-current Assets – Advance tax assets (Net) as enclosed in Note 6 of Annexure V;
(vi) Restated Consolidated Statement of Other Non-current Assets as enclosed in Note 7 of Annexure V;
(vii) Restated Consollidated Statement of Inventories as enclosed in Note 8 of Annexure V;
(viii) Restated Consolidated Statement of Current Financial Assets - Trade Receivables as enclosed in Note 9 of Annexure V;
(ix) Restated Consolidated Statement of Current Financial Assets - Cash and Cash Equivalents and Other Bank Balances as enclosed in Note 10 of Annexure V;
(x) Restated Consolidated Statement of Current Financial Assets - Others as enclosed in Note 11 of Annexure V;
(xi) Restated Consolidated Statement of Other Current Assets as enclosed in Note 12 of Annexure V;
(xii) Restated Consolidated Statement of Equity Share Capital as enclosed in Note 13 of Annexure V;
(xiii) Restated Consolidated Statement of Preference Share Capital as enclosed in Note 14 of Annexure V;
(xiv) Restated Consolidated Statement of Other Equity as enclosed in Note 15 of Annexure V;
(xv) Restated Consolidated Statement of Non-Current Financial Liabilities - Borrowings as enclosed in Note 16 of Annexure V;
(xvi) Restated Consolidated Statement of Non-Current Financial Liabilities - Others as enclosed in Note 17 of Annexure V;
(xvii) Restated Consolidated Statement of Non-Current Provisions as enclosed in Note 18 of Annexure V;
(xviii) Restated Consolidated Statement of Deferred Tax Liabilities and Deferred Tax Assets as enclosed in Note 19 of Annexure V;
(xix) Restated Consolidated Statement of Current Financial Liabilities - Borrowings as enclosed in Note 20 of Annexure V;
(xx) Restated Consolidated Statement of Current Financial Liabilities – Trade Payables as enclosed in Note 21 of Annexure V;
(xxi) Restated Consolidated Statement of Current Financial Liabilities – Others as enclosed in Note 22 of Annexure V;
(xxii) Restated Consolidated Statement of Current Liabilities – Provisions as enclosed in Note 23 of Annexure V;
(xxiii) Restated Consolidated Statement of Other Current Liabilities as enclosed in Note 24 of Annexure V;
(xxiv) Restated Consolidated Statement of Current Tax Liability (Net) as enclosed in Note 25 of Annexure V;
(xxv) Restated Consolidated Statement of Revenue From Operations as enclosed in Note 26 of Annexure V;
(xxvi) Restated Consolidated Statement of Other Income as enclosed in Note 27 of Annexure V;
(xxvii) Restated Consolidated Statement of Operating Expenses for Drilling & Workover Rigs as enclosed in Note 28 of Annexure V;
(xxviii) Restated Consolidated Statement of Manufacturing Expenses as enclosed in Note 29 of Annexure V;
(xxix) Restated Consolidated Statement of Employee Benefits Expense as enclosed in Note 30 of

Annexure V;

(xxx) Restated Consolidated Statement of Finance Costs as enclosed in Note 31 of Annexure V;

(xxxi) Restated Consolidated Statement of Other Expenses, as enclosed in Note 32 of Annexure V;

(xxxii) Restated Consolidated Statement of Other Significant Notes to the Restated Financial Statements, as enclosed in Note 33 to Note 43 of Annexure V;

(xxxiii) Summary Statement of Adjustments to the Restated Consolidated Financial Information and Notes to Summary Statement of Adjustments to the Audited Consolidated Financial Statements as enclosed in Annexure VI;

(xxxiv) Restated Consolidated Statement of Dividend Paid, as enclosed in Annexure VII;

(xxxv) Restated Statement Statement of Capitalisation, as enclosed in Annexure VIII;

(xxxvi) Restated Consolidated Statement of Accounting Ratios, as enclosed in Annexure IX;

(xxxvii) Restated Consolidated Statement of Tax Shelter, as enclosed in Annexure X;

9. We have also examined the following Restated Consolidated Financial Information of the Company as set out in the following Annexures prepared by the Management and approved by the Board of Directors on 22 January 2018 for each of the years ended 31 March 2014 and 31 March 2013. In respect of the years ended 31 March 2014 and 31 March 2013, these Restated Consolidated Financial Information of the Company have been included based upon the reports submitted by predecessor auditors, Deloitte Haskins & Sells, Chartered Accountants and relied upon by us:

(i) Annexure IV – intentionally kept blank;

(ii) Basis of preparation and significant accounting policies as enclosed in Note 1 and Note 2 of Annexure V;

(iii) Restated Consolidated Statement of Share Capital as enclosed in Note 3 of Annexure V;

(iv) Restated Consolidated Statement of Reserves & Surplus as enclosed in Note 4 of Annexure V;

(v) Restated Consolidated Statement of Long-term Borrowings as enclosed in Note 5 of Annexure V;

(vi) Restated Consolidated Statement of Deferred Tax Liabilities and Deferred Tax Assets as enclosed in Note 6 of Annexure V;

(vii) Restated Consolidated Statement of Long-term Provisions as enclosed in Note 7 of Annexure V;

(viii) Restated Consolidated Statement of Short-term Borrowings as enclosed in Note 8 of Annexure V;

(ix) Restated Consolidated Statement of Trade Payables as enclosed in Note 9 of Annexure V;

(x) Restated Consolidated Statement of Other Current Liabilities as enclosed in Note 10 of Annexure V;

(xi) Restated Consolidated Statement of Short-term Provisions as enclosed in Note 11 of Annexure V;

(xii) Restated Consolidated Statement of Fixed Assets and Depreciation / Amortisation Expenses as enclosed in Note 12 of Annexure V;

(xiii) Restated Consolidated Statement of Non-current Investments as enclosed in Note 13 of Annexure V;

(xiv) Restated Consolidated Statement of Long-term Loans & Advances as enclosed in Note 14 of Annexure V;

(xv) Restated Consolidated Statement of Inventories as enclosed in Note 15 of Annexure V;

(xvi) Restated Consolidated Statement of Trade Receivables as enclosed in Note 16 of Annexure V;

(xvii) Restated Consolidated Statement of Cash and Bank Balances as enclosed in Note 17 of Annexure V;

(xviii) Restated Consolidated Statement of Short-term Loans & Advances as enclosed in Note 18 of Annexure V;

(xix) Restated Consolidated Statement of Other Current Assets as enclosed in Note 19 of Annexure V;

(xx) Restated Consolidated Statement of Revenue From Operations as enclosed in Note 20 of Annexure V;

(xxi) Restated Consolidated Statement of Other Income as enclosed in Note 21 of Annexure V;

(xxii) Restated Consolidated Statement of Changes in Inventory of Finished Goods as enclosed in Note 22 of Annexure V;

(xxiii) Restated Consolidated Statement of Operating Expenses for Drilling & Workover Rigs as enclosed in Note 23 of Annexure V;

(xxiv) Restated Consolidated Statement of Manufacturing Expenses as enclosed in Note 24 of Annexure V;

(xxv) Restated Consolidated Statement of Employee Benefits Expense as enclosed in Note 25 of Annexure V;

(xxvi) Restated Consolidated Statement of Finance Costs as enclosed in Note 26 of Annexure V;
(xxvii) Restated Consolidated Statement of Other Expenses, as enclosed in Note 27 of Annexure V;
(xxviii) Restated Consolidated Statement of Other Significant Notes to the Restated Financial Statements, as enclosed in Note 28 to Note 35 of Annexure V;
(xxix) Summary Statement of Adjustments to the Restated Consolidated Financial Information and Notes to Summary Statement of Adjustments to the Audited Consolidated Financial Statements as enclosed in Annexure VI;
(xxx) Restated Consolidated Statement of Dividend Paid, as enclosed in Annexure VII;
(xxxi) Restated Statement Statement of Capitalisation, as enclosed in Annexure VIII;
(xxxii) Restated Consolidated Statement of Accounting Ratios, as enclosed in Annexure IX;
(xxxiii) Restated Consolidated Statement of Tax Shelter, as enclosed in Annexure X.

10. Opinion

In our opinion and to the best of our information and according to the explanation given to us, and also as per the reliance placed on the reports submitted by the predecessor auditors Deloitte Haskins & Sells, Chartered Accountants, the Restated Consolidated Financial Information of the Group as at and for the six months period ended 30 September 2017 and as at and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, including the above mentioned Other Restated Consolidated Financial Information contained in Annexures VI to X, read with basis of preparation and summary of significant accounting policies disclosed in Annexure V, are prepared after making proforma adjustments and regroupings as considered appropriate and as disclosed in Annexure VI and the Proforma Ind AS Restated Consolidated Financial Information of the the Group as at and for the year ended 31 March 2015, read with the basis of preparation and summary of significant accounting policies disclosed in Annexure V, are prepared after making proforma adjustments and regroupings as considered appropriate and as disclosed in Annexure VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and Guidance Note.

11. We have complied with relevant applicable requiremets of the standards on Quality Control (SQC 1), Quality control for firms that perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firms of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Management and for inclusion in the offer document to be filed with Securities and Exchange Board of India, relevant stock exchanges where the equity shares are proposed to be listed and the Registrar of Companies, Ahmedabad, in connection with the Offer. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE I - RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND **₹ in million**

	Note No. of Annexure V	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
ASSETS					
Non-current Assets					
Property, plant and equipment	3.1	10,848.00	9,337.53	9,765.46	9,899.76
Capital work in progress	3.1	108.27	1,776.04	439.61	-
Intangible assets	3.2	0.13	0.20	0.41	0.35
Financial asset					
(a) Investments	4	4.03	4.11	4.00	0.78
(b) Others	5	3.77	5.83	4.55	4.77
Advance tax assets (net)	6	148.08	567.26	534.83	419.78
Other non-current assets	7	71.92	30.44	147.50	249.12
Total non-current assets		**11,184.20**	**11,721.41**	**10,896.36**	**10,574.56**
Current Assets					
Inventories	8	727.32	764.61	721.35	655.48
Financial assets					
(a) Trade receivable	9	929.04	953.62	965.45	1,033.59
(b) Cash and cash equivalents	10	186.73	532.68	411.26	436.56
(c) Bank balance other than (b) above	10	258.73	253.00	222.86	175.58
(d) Others	11	274.76	362.24	499.06	604.26
Other current assets	12	328.60	214.69	177.49	81.00
Total current assets		**2,705.18**	**3,080.84**	**2,997.47**	**2,986.47**
TOTAL ASSETS		**13,889.38**	**14,802.25**	**13,893.83**	**13,561.03**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	13	183.67	183.67	175.46	175.46
Optionally Convertible Cumulative Redeemable Preference Shares	14	-	-	90.00	90.00
Other Equity	15	5,833.06	5,741.33	5,059.67	4,827.17
Total equity		**6,016.73**	**5,925.00**	**5,325.13**	**5,092.63**

Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings	16	3,065.41	3,592.89	3,261.64	3,614.79
(b) Other financial liabilities	17	90.11	64.56	-	-
Provisions	18	3.44	2.76	2.64	1.59
Deferred tax liabilities (Net)	19	925.27	1,370.50	1,282.64	1,100.00
Total non-current liabilities		**4,084.23**	**5,030.71**	**4,546.92**	**4,716.38**
Current liabilities					
Financial liabilities					
(a) Borrowings	20	1,543.81	1,454.75	1,545.38	1,717.69
(b) Trade payables	21	886.18	962.66	934.14	827.55
(c) Other financial liabilities	22	1,212.28	1,091.70	1,147.61	1,149.96
Provisions	23	63.20	1.06	0.44	0.54
Other current liabilities	24	82.95	30.05	19.61	26.25
Current tax liability (net)	25	-	306.32	374.60	30.03
Total current liabilities		**3,788.42**	**3,846.54**	**4,021.78**	**3,752.02**
Total liabilities		**7,872.65**	**8,877.25**	**8,568.70**	**8,468.40**
TOTAL EQUITY AND LIABILITIES		**13,889.38**	**14,802.25**	**13,893.83**	**13,561.03**

Notes:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Consolidated Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure-VI, Restated Consolidated Statement of Dividend Paid appearing in Annexure-VII, Restated Consolidated Statement of Capitalisation appearing in Annexure-VIII, Restated Consolidated Statement of Accounting Ratios appearing in Annexure-IX and Restated Consolidated Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-43 forming part of the Restated Consolidated Financial Information.

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
CIN: U29224GJ1987PLC010044
ANNEXURE II - RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS **₹ in million**

	Note No. of Annexure V	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
INCOME					
Revenue from operations	26	2,282.82	5,767.36	5,611.94	5,123.44
Other income	27	29.17	49.93	39.11	24.56
Total Income		**2,311.99**	**5,817.29**	**5,651.05**	**5,148.00**
EXPENSES					
Operating expenses for drilling and workover rigs	28	1,056.72	2,574.04	2,741.80	2,728.82
Manufacturing expenses	29	4.71	14.23	18.89	1.48
Employee benefits expenses	30	353.28	640.14	581.41	582.25
Finance costs	31	266.33	491.17	530.01	520.79
Depreciation and amortization expense	3.1 & 3.2	296.98	513.93	528.46	486.38
Other expenses	32	167.49	450.10	456.41	327.94
Total Expenses		**2,145.51**	**4,683.61**	**4,856.98**	**4,647.66**
Profit Before Tax		**166.48**	**1,133.68**	**794.07**	**500.34**
Tax Expenses					
Current tax (Including foreign tax)		-	(330.35)	(405.72)	(167.30)
Deferred tax		3.17	(89.78)	(184.28)	(70.56)
Minimum alternate tax credit entitlement		-	0.01	77.06	66.55
Minimum alternate tax credit entitlement of earlier years		-	-	9.40	(3.20)
Excess provision for tax in respect of earlier years		-	-	-	10.47
Profit for the year		**163.31**	**713.56**	**290.53**	**336.30**
Other Comprehensive Income (OCI)					
Items that will be reclassified to profit or loss					
(A) (Loss)/ Gain arising from translating the Financial Statements of foreign operations		0.29	(20.15)	13.76	(27.60)
Items that will not be reclassified to profit or loss					
(B) (1) Loss on remeasurement of defined benefit plans		3.30	5.64	4.73	3.14
(B) (II) tax effect on above		(1.14)	(1.92)	(1.64)	(0.81)
Total other comprehensive income		**2.16**	**3.73**	**3.09**	**2.33**
Total comprehensive income for the year		**161.44**	**689.68**	**301.20**	**306.37**
Earnings Per Share (Face Value of Rs.10 each)	36				
Basic EPS(Rs.)		8.89	39.46	16.55	19.16
Diluted EPS (Rs.)		8.89	39.46	15.82	18.31

Note:
a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Consolidated Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure-VI, Restated Consolidated Statement of Dividend Paid appearing in Annexure-VII, Restated Consolidated Statement of Capitalisation appearing in Annexure-VIII, Restated Consolidated Statement of Accounting Ratios appearing in Annexure-IX and Restated Consolidated Statement of Tax Shelter appearing in Annexure-X.

b) Refer accompanying notes 1-43 forming part of the Restated Consolidated Financial Information.

As per our report of even date attached
For **B S R & Associates LLP**
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Membership No: 045754
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For and on behalf of the Board of Directors

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Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520

Jayesh Asher
Chief Financial Officer

Place: Ahmedabad
Date: 31 January 2018

JOHN ENERGY LIMITED
CIN: U29224GJ1987PLC010044
ANNEXURE III - RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS **₹ in million**

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
A.	**Cash flows from operating activities**				
	Profit For the period / year	**166.48**	**1,133.68**	**794.07**	**500.34**
	Adjustments for:				
	Depreciation and amortization expense	296.98	513.94	528.46	486.38
	Loss/(Profit) on sale/ disposal of PPE (net)	0.98	9.62	16.12	(3.98)
	Finance costs	266.32	491.17	552.14	520.79
	Bad debts	-	32.94	28.37	-
	Interest income	(7.86)	(17.69)	(14.91)	(17.54)
	Provision for doubtful debts and advances	-	(39.08)	50.97	(87.41)
	Unrealised foreign exchange (gain)/ loss (net)	39.69	(15.75)	(5.42)	-
	Excess provisions/ balances written back	-	-	-	15.00
	Dividend income from Investment carried at FVTPL	0.01	(0.17)	0.39	0.14
	(Loss)/ gain on Investment carried at FVTPL	-	-	(0.02)	-
	Operating profit before working capital changes	**762.60**	**2,108.66**	**1,950.17**	**1,413.72**
	Adjustment for:				
	Trade receivables	42.11	(48.77)	(19.08)	199.98
	Inventories	37.30	(43.26)	(65.87)	23.08
	Other bank balances	(5.93)	(30.13)	(47.28)	(34.97)
	Loans and advances and other current and non-current assets	32.12	100.32	129.25	(202.19)
	Trade, other payables and provisions	(65.75)	108.98	138.60	54.07
		39.85	**87.14**	**135.62**	**39.97**
	Cash generated from Operations	802.45	2,195.80	2,085.79	1,453.69
	Direct tax paid (net)	(334.41)	(411.74)	(176.72)	(163.56)
	Net cash generated from operating activities (A)	**468.04**	**1,784.06**	**1,909.08**	**1,290.13**
B.	**Cash flows from investing activities**				
	Investments in associate company	-	-	(3.61)	-
	Purchase of PPE	(156.02)	(1,431.67)	(557.12)	(2,012.15)
	Proceeds on sale of PPE	2.89	14.48	13.57	11.39
	Interest income	7.44	16.67	18.38	16.14
	Dividend income from Investment carried at FVTPL	-	-	0.02	-
	Sale of Investment	0.20	-	-	-
	Net cash (used in) investing activities (B)	**(145.49)**	**(1,400.52)**	**(528.76)**	**(1,984.62)**
C.	**Cash flows from financing activities**				
	Proceeds from non-current borrowings	-	1,397.59	405.60	1,789.23
	(Repayments) of non-current borrowings	(363.22)	(995.31)	(1,036.39)	(807.42)
	(Repayments)/ proceeds from current borrowings (net)	58.47	(78.84)	(194.99)	337.55
	Dividend paid (including corporate dividend tax)	(69.71)	(89.81)	(68.69)	(85.33)
	Finance cost	(294.32)	(499.21)	(514.06)	(453.81)
	Net cash from / (used in) financing activities (C)	**(668.78)**	**(265.58)**	**(1,408.53)**	**780.22**
D.	**Exchange difference on cash and cash equivalents (D)**	**0.28**	**3.48**	**2.89**	**-**
	Net increase in cash and cash equivalents (A+B+C+D)	**(345.95)**	**121.44**	**(25.32)**	**85.73**
	Cash and cash equivalents at the beginning of the year	532.68	411.24	436.56	350.83
	Cash and cash equivalents at the end of the year	**186.73**	**532.68**	**411.24**	**436.56**

Non-cash transactions not considered above:

Conversion of 0.05% OCCRPS Series-V of Rs. Nil (2016-17 Rs.90 Million, 2015-16: Rs.Nil and 2014-15: Rs. Nil).

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)

Notes:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Consolidated Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure-VI, Restated Consolidated Statement of Dividend Paid appearing in Annexure-VII, Restated Consolidated Statement of Capitalisation appearing in Annexure-VIII, Restated Consolidated Statement of Accounting Ratios appearing in Annexure-IX and Restated

b)The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 Cash Flow Statement notified under section 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting standards) Rules 2015 and the relevant

c) Refer accompanying notes 1-43 forming part of the Restated Consolidated Financial Information.

d) Figures in bracket indicate cash outflows.

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
Annexure IV - RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

₹ in million

		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
A) Equity Share Capital					
Balance at the beginning of the reporting period/year		183.67	175.46	175.46	175.46
Changes during the period/year* [Refer note 13]		-	8.21	-	-
Balance at the end of the reporting period/year	**TOTAL**	**183.67**	**183.67**	**175.46**	**175.46**
B) Optionally Convertible Cumulative Redeemable Preference Shares					
Balance at the beginning of the reporting period/year		-	90.00	90.00	90.00
Changes during the period/year* [Refer note 14]		-	(90.00)	-	-
Balance at the end of the reporting period/year	**TOTAL**	**-**	**-**	**90.00**	**90.00**

* 900,003 Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) converted to 820,967 number of equity shares as on 31st July, 2016 as per share subscription agreement.

C) Other Equity

	Reserve and Surplus				Items of other	
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	Actuarial Gain / (Loss)	Foreign currency translation reserve
Balance at the beginning of April 1, 2014 (Proforma)	2,618.57	110.27	65.42	1,909.63	-	-
Profit for the year	-	-	-	336.30	-	-
Other Comprehensive Income	-	-	-	-	(2.33)	(27.60)
Total Comprehensive income for the year				**336.30**	**(2.33)**	**(27.60)**
Dividend including tax thereon	-	-	-	(85.33)		
Depreciation on transition to Schedule II of the Companies Act, 2013 [net of deferred tax]	-	-	-	(97.75)		
Balance at the end of March 31, 2015 (Proforma)				**2,062.85**	**(2.33)**	**(27.60)**
Profit for the year	-	-	-	290.53	-	-
Other Comprehensive Income	-	-	-	-	(3.09)	13.74
Total Comprehensive income for the year				290.53	(3.09)	13.74
Dividend including tax thereon	-	-	-	(68.69)	-	-
Balance at the end of March 31, 2016	**2,618.57**	**110.27**	**65.42**	**2,284.69**	**(5.42)**	**(13.86)**
Profit for the year	-	-	-	713.56	-	-
Other Comprehensive Income	-	-	-	-	(3.73)	(20.15)
Total Comprehensive income for the year				713.56	(3.73)	(20.15)
Dividend paid (including dividend tax)	-	-	-	(89.81)	-	-
Premium on conversion of OCCRPS [Refer note 14]	81.79	-	-	-	-	-
Balance at the end of March 31, 2017	**2,700.36**	**110.27**	**65.42**	**2,908.44**	**(9.15)**	**(34.01)**

Profit for the period	-	-	-	163.31	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	(2.16)	0.29
Total comprehensive income for the period	**-**	**-**	**-**	**3,071.75**	**(11.31)**	**(33.72)**
Transactions with owners, recorded directly in Equity						
Dividend paid (including dividend tax)	-	-	-	(69.71)	-	-
Balance as at 30 September 2017	**2,700.36**	**110.27**	**65.42**	**3,002.04**	**(11.31)**	**(33.72)**

Reconciliation of Retained Earnings	**Note no. 2**	**(₹ in Million)**
Balance at the beginning as per IGAAP		**1,995.43**
Add: Dividends (Including dividend distribution tax) not recognised as liability	F	85.33
Add: Effect of measuring investments at fair value	A	0.75
Less: Deferred tax liability	G	(171.91)
Balance at the beginning as per Ind AS		**1,909.63**

Notes:

a) The above statement should be read with the Company Overview and Significant Accounting Policies appearing in Annexure-V, Notes to the Restated Consolidated Financial Information appearing in Annexure-V, Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure-VI, Restated Consolidated Statement of Dividend Paid appearing in Annexure-VII, Restated Consolidated Statement of Capitalisation appearing in Annexure-VIII, Restated Consolidated Statement of Accounting Ratios appearing in

b) Refer accompanying notes 1-43 forming part of the Restated Consolidated Financial Information.

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

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Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Significant accounting policies

A Company Overview

John Energy Limited ('the Group Company") is a public limited company domiciled and incorporated in the Republic of India with its registered office at Plot No.220, GIDC Estate, Mehsana - 384002, Gujarat, India. The Group Company is governed by the provisions of Companies Act, 2013 ("the Act"). These consolidated financial statements comprise the Holding Company, its subsidiaries and associate. The Group is primarily involved in catering to the Exploration and Petroleum sector of the Oil and

Following components are included in the interim consolidated financial statements:

Name of the Company	Country of Incorporation	Percentage of Holding	Nature of Operation
A) Subsidiary companies			
Synergy Drilling Fluids Private Limited	India	100%	Drilling and Completion Fluid activities in the field of Oil and gas exploration
John Drilling Services Private Limited	India	100%	Oil and gas exploration
John Energy International DMCC	UAE	100%	Oil and gas exploration
B) Associate company			
John Energy Well Services Middle East WLL	UAE	50%	Maintenance and rehabilitation of oil and gas wells

B Basis of preparation

The Restated Consolidated Statement of Assets and Liabilities of the John Energy Limited as at September 30, 2017, March 31, 2017, March 31, 2016 and March 31, 2015 and related Restated Consolidated Summary Statement of Profit and Loss. Restated Consolidated Summary Statement of Cash Flow for the half year ended September 30, 2017 and year ended March 31, 2017, March 31, 2016 and March 31, 2015 (hereinafter collectively referred to as "Restated Consolidated Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering through Offer for Sale(IPO) of its equity

The interim restated Consolidated financial statements for the half year ended September 30, 2017 have been prepared in accordance with recognition and measurement criteria laid down in Ind AS 34 – 'Interim Financial Reporting,' but they do not contain corresponding figures for the previous period as required by Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The Consolidated Financial Statements as at and for the year ended March 31, 2017 have been prepared in accordance with Indian Accounting Standards(" Ind As") notified under the Companies(Indian Accounting Standards) Rules ,2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016. In accordance with Ind AS 101 First- time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules,2006 ("Previous GAAP") to Ind AS for Shareholders' Fund as at March 31,2016 and April 1, 2015 and of the total comprehensive income for the year ended March 31,

For all the periods up to and including the year ended March 31, 2016, the Company prepared its Consolidated financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 (" Indian GAAP" or Previous GAAP"). These financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

These Restated Consolidated Financial Information have been prepared to comply in accordance with Indian Accounting Standards (" Ind AS") notified under the Companies (India Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Consolidated Proforma Financial Information of the Company as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e April 1,2015) while preparing proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31,

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting

2 **Basis of measurement :**

The interim consolidated financial statements have been prepared on a historical cost basis, except for the following:

• certain financial assets and liabilities (including derivative instruments) that are measured at fair value and

• defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation.

the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

3 Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair value is included in the following notes:

Note O : - financial instruments

Note F : - assets held for sale

4 Functional and presentation currency

These interim consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest million, unless otherwise stated. With respect to the foreign subsidiary, the functional currency is other than Indian Rupees

5 Use of estimate and judgments

While preparing interim consolidated financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the estimation done by management which is in line with the use full life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Recognition and measurement of defined benefit obligations

include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition of deferred tax assets

values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Inventories

Inventories include stores, spares and consumables which are interchangeable and used from time to time. In the best estimate and judgment of the Company's management, these spares and components have a realisable value in excess of their carrying value based on the replacement cost of such spares and components

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

C Significant accounting polices

1 Basis of consolidation

The consolidated financial statements of the Group incorporate the interim standalone financial statements of the Holding Company and its subsidiaries.

Consolidation of subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statement of subsidiaries included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit

Consolidation of associate

The Group's interests in equity accounted investees comprises of interest in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted using equity method. They are initially recognised at cost which include transaction costs. Subsequent to initial recognition, the interim consolidated financial statements include the Group's share of profit or loss and OCI of equity - accounted investees until the date on which significant influence ceases.

When there is any objective evidence of impairment, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 'Impairment of Assets' as a single asset by comparing its recoverable amount

(higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases. The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103 'Business Combination'. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures it at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest is included in the determination of the gain or loss on disposal of the associate.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as realised gains, but only to the extent that there is no evidence of impairment.

2 Revenue

Revenue Recognition :

Revenue is measured at the fair value of the consideration received or receivable.

~~Rendering of services:~~

Income from oil drilling and exploration is recognized when services are rendered as per the terms of the contractual arrangements and when collectability of the resulting receivable is reasonably assured. Operating lease income is recognized as per the terms of the lease contract.

Sale of goods:

Revenue from sale of goods is recognised upon delivery in accordance with the terms of the individual contracts and on transfer of significant risks and rewards in respect of ownership to the buyer. Revenue is recognised when collectability of the resulting receivable is reasonably assured.

Other Operating Revenues:

Other operating revenues comprise of income from ancillary activities incidental to the operations of the Group and is recognised when the right to receive the income is established as per the terms of the contract.

Dividend and Interest Income:

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured

3 Borrowing costs

Borrowing Cost include interest and other costs (including exchange differences relating to foreign currency borrowings to the extent regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

4 Leases

Determining whether an arrangement contains a lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception or on reassessment of the lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Assets held under lease

Lease of property, plant and equipment that transfers to the Group substantially all the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet

Lease payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

5 Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) after tax (excluding OCI) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (excluding OCI)as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

6 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and any directly attributable cost of bringing them to working conditions for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item if property, plant and equipment is recognised in profit or loss.

ii. Deemed cost on transition to Ind AS:

The Group has elected to continue with the carrying value of all of its PPE recognised as of 1st April, 2015 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditures will flow to the Group.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful life as estimated by management which is inline with Schedule II of Companies Act, 2013 using the straight-line method and depreciation is provided at 100% on items of property, plant and equipment costing less than Rs. 5,000 in the year of purchase and is recognised in Depreciation and Amortisation Expense in Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation of additions/ disposals is provided on a pro-rata basis, i.e., from/ upto the date on which the asset is ready to use/ disposed off.

v. De-recognition of Property, Plant and Equipment

An item of property, plant and equipment is de-recognised upon disposal or when no economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

7 Capital work-in-progress and capital advances

Cost of assets not ready for intended use, as on the reporting date, is shown under capital work-in-progress .

Advances given towards acquisition of property, plant and equipment outstanding as at reporting date are disclosed as other non-current assets.

8 Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment loss, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss

iii. Amortisation

Amortisation is calculated to write off the costs of intangible assets less their estimated residual value over their useful life as specified under Schedule II of Companies Act, 2013 using the straight-line method and amortisation is provided at 100% on items of intangible assets costing less than Rs. 5,000 in the year of purchase and is recognised in Depreciation and Amortisation Expense in Statement of Profit and Loss.

9 Impairment of property, plant and equipment and intangible assets:

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement profit or loss.

10 Inventories

Inventories are measured at lower of cost or net realizable value. The cost is determined on first in first out basis. The cost of inventories comprises of cost of purchases, taxes and duties (net of eligible credits) and all other related costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of obsolete/ slow moving inventories are adequately provided for.

11 Employee Benefits :

Employee benefits includes provident fund, employee state insurance scheme, gratuity fund and compensated absences.

<u>Defined Contribution Plan :</u>

Payments to defined contribution plans i.e., Group's contribution to provident fund and employee state insurance, are determined under the relevant statute and relevant schemes and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

<u>Defined benefit plan :</u>

For defined benefit plans i.e. Group's liability towards gratuity (funded),i.e. the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each reporting period. Defined benefit costs are comprised of:

a) service cost (including current service cost, past service cost, as well as gains and losses on settlements);

b) net interest expense or income; and

c) re-measurement.

The Group presents the first two components of defined benefit costs in statement of Profit or Loss under 'Employee benefits expense'. Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the Balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to statement of profit or loss.

<u>Other long term employee benefits</u>

Liability towards Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Interim consolidated Statement of Profit and Loss.

<u>Short-term employee benefits:</u>

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives and medical benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

12 Taxes on Income :

Income tax expense represents the current tax and deferred tax. Current and deferred tax are recognised in statement of profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in Equity respectively.

<u>Current tax</u>

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

<u>Deferred tax</u>

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the interim financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum Alternate Tax (MAT):

Minimum Alternative Tax ('MAT') under provision of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an assets only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognised as an assets is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

13 <u>Foreign currency transactions:</u>

i. <u>Initial recognition:</u>

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of Profit and Loss.

ii. <u>Measurement of foreign currency items at reporting date:</u>

Foreign currency monetary items of the Group are translated at the closing exchange rates and are recognised in Statement of Profit and Loss in the period in which they arise, except for exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed before 1 April 2016 at rates different from those at which they were initially recorded or reported in the previous consolidated financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets.

iii. <u>Foreign operations (Through foreign branch):</u>

The Group's foreign operations (through foreign branch) are an integral part of the Group's activities. In preparing the interim consolidated financial statements, transactions in currencies other than the Company's functional currency are being recognised at the transaction rates prevailing on date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

iv <u>Foreign currency translation reserve:</u>

For the purposes of presenting these interim consolidated financial statements, the assets and liabilities of the Group's entities whose functional currency is other than Indian rupees are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve (and attributed to non-controlling interests as appropriate).

14 Provisions:

probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

15 <u>Financial instruments:</u>

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

<u>Financial assets</u> : All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Classification of financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present the Group does not have investment in any debt securities classified as FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. At present there are no such investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

because this best reflects the way the business is managed and information is provided to management. The information considered includes:

• the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

• how the performance of the portfolio is evaluated and reported to the Group's management;

• the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

• how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

• the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Subsequent measurement and gains and losses for financial assets held by the group

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue cost.

Financial liabilities:

interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

De-recognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is

The Group has applied the de-recognition requirements of financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - First time Ind AS adoption reconciliations

2.1.1 Reconciliation a at March 31, 2016

₹ in million

	Note No.	As at March 31,2016 (Latest period presented under previous GAAP)			
		Previous GAAP	**Effect of Ind AS Transition**	**Restated Adjustment**	**As per Ind AS Balance sheet**
ASSETS					
Non-current Assets					
Property, plant and equipment	C	9,636.91	(0.88)	129.43	9,765.46
Capital work in progress		439.61	-	-	439.61
Intangible assets		0.41	-	-	0.41
Financial asset					
(a) Investments					
i) Investments in associates		3.61	-	-	3.61
i) Other investments	A	0.18	0.21	-	0.39
(b) Others		4.55	-	-	4.55
Advance tax assets (net)		534.83	-	-	534.83
Other non-current assets	C	146.65	0.85	-	147.50
Total non-current assets		**10,766.75**	**0.18**	**129.43**	**10,896.36**
Current Assets					
Inventories		721.35	-	-	721.35
Financial assets					
(a) Trade receivable		965.45	-	-	965.45
(b) Cash and cash equivalents		411.26	-	-	411.26
(c) Bank balance other than (b) above		222.86	-	-	222.86
(e) Others		499.06	-	-	499.06
Other current assets	C	177.48	0.01	-	177.49
Total current assets		**2,997.46**	**0.01**	**-**	**2,997.47**
Total assets		**13,764.21**	**0.19**	**129.43**	**13,893.83**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital		175.46	-	-	175.46
Optionally Convertible Cumulative Redeemable Pref. Shares		90.00	-	-	90.00
Other Equity	A/ C/ F/ H	5,124.57	90.02	(154.92)	5,059.67
Total equity		**5,390.03**	**90.02**	**(154.92)**	**5,325.13**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings		3,261.64	-	-	3,261.64
Provision		2.64	-	-	2.64
Deferred tax liabilities (net)	H	998.29	-	284.35	1,282.64
Total non-current liabilities		**4,262.57**	**-**	**284.35**	**4,546.92**
Current liabilities					

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Financial liabilities					
(a) Borrowings		1,545.38	-	-	1,545.38
(b) Trade payables		934.14	-	-	934.14
(c) Others		1,147.61	-	-	1,147.61
Provisions	C	90.27	(89.83)	-	0.44
Other current liabilities		19.61	-	-	19.61
Current tax liability (net)		374.60	-	-	374.60
Total current liabilities		**4,111.61**	**(89.83)**	**-**	**4,021.78**
Total liabilities		**8,374.18**	**(89.83)**	**284.35**	**8,568.70**
Total equity and liabilities		**13,764.21**	**0.19**	**129.43**	**13,893.83**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

2.1.2 Reconciliation as at March 31, 2015 (Proforma)

₹ in million

		As at March 31, 2015 (Proforma)			
	Note no.	**Previous GAAP**	**Proforma Adjustments**	**Restated Adjustment**	**As per Restated Ind AS Balance sheet**
ASSETS					
Non-current Assets					
Property, plant and equipment	C	9,727.30	(0.87)	173.33	9,899.76
Intangible assets		0.35	-	-	0.35
Financial asset					
(a) Investments					
ii) Other investments	A	0.18	0.60	-	0.78
(b) Others		4.77	-	-	4.77
Advance tax assets (net)		429.17	-	(9.39)	419.78
Other non-current assets	C	248.26	0.86	-	249.12
Total non-current assets		**10,410.03**	**0.59**	**163.94**	**10,574.56**
Current Assets					
Inventories		655.48	-	-	655.48
Financial assets					
(a) Trade receivable		1,033.59	-	-	1,033.59
(b) Cash and cash equivalents		436.56	-	-	436.56
(c) Bank balance other than (b) above		175.58	-	-	175.58
(e) Others		604.26	-	-	604.26
Other current assets	C	80.99	0.01	-	81.00
Total current assets		**2,986.46**	**0.01**	**-**	**2,986.47**
Total assets		**13,396.49**	**0.60**	**163.94**	**13,561.03**
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital		175.46	-	-	175.46
Optionally Convertible Cumulative Redeemable Pref. Shares		90.00	-	-	90.00
Other Equity	A/ G/H	4,865.29	69.29	(107.41)	4,827.17
Total equity		**5,130.75**	**69.29**	**(107.41)**	**5,092.63**
Liabilities					
Non-current liabilities					
Financial liabilities					
(a) Borrowings		3,614.79	-	-	3,614.79
Provision		1.59	-	-	1.59
Deferred tax liabilities (net)	H	828.65	-	271.35	1,100.00
Total non-current liabilities		**4,445.03**	**-**	**271.35**	**4,716.38**
Current liabilities					
Financial liabilities					
(a) Borrowings		1,717.69	-	-	1,717.69
(b) Trade payables		827.55	-	-	827.55
(c) Others		1,149.96	-	-	1,149.96
Provisions	G	69.23	(68.69)	-	0.54

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Other current liabilities		26.25	-	-	26.25
Current tax liability (net)		30.03	-	-	30.03
Total current liabilities		**3,820.71**	**(68.69)**	**-**	**3,752.02**
Total liabilities		**8,265.74**	**(68.69)**	**271.35**	**8,468.40**
Total equity and liabilities		**13,396.49**	**0.60**	**163.94**	**13,561.03**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - First time Ind AS adoption reconciliations

2.2.1 Reconciliation of Profit and Loss for the year ended March 31, 2016

₹ in million

	Note No.	For the year ended March 31, 2016 (Latest period presented under previous (GAAP)			
		Previous GAAP	**Effect of Ind AS Transition**	**Restated Adjustment**	**As per Restaed Ind AS**
REVENUE					
Revenue from operations		5,611.94	-	-	5,611.94
Other income	A	39.50	(0.39)	-	39.11
Total Income		**5,651.44**	**(0.39)**	**-**	**5,651.05**
EXPENSES					
Operating expenses for drilling and workover		2,741.80	-	-	2,741.80
Manufacturing expenses		18.89	-	-	18.89
Employee benefits expenses	B	586.14	(4.73)	-	581.41
Finance costs		500.89	-	29.12	530.01
Depreciation and amortization expense	C	486.20	(0.01)	42.27	528.46
Other expenses	C	483.90	0.01	(27.50)	456.41
Total Expenses		**4,817.82**	**(4.73)**	**43.89**	**4,856.98**
Profit Before Tax		**833.62**	**4.34**	**(43.89)**	**794.07**
Tax Expenses					
Current tax (Including foreign tax)		(405.72)	-	-	(405.72)
Minimum alternate tax credit entitlement		77.06	-	-	77.06
Excess provision for tax written back		-	-	9.40	9.40
Deferred tax	B/ G	(169.64)	(1.64)	(13.00)	(184.28)
Profit for the year		**335.34**	**2.70**	**(47.49)**	**290.53**
Other Comprehensive Income					
(A) Items that will be reclassified to profit or loss					
Gain arising from translating the Financial Statements of foreign operations		-	13.76	-	13.76
Total (A)	B	-	13.76	-	13.76
(B) Items that will not be reclassified to profit or loss					
(a) Loss on remeasurement of defined benefit plans		-	4.73	-	4.73
(b) Tax effect on above		-	(1.64)	-	(1.64)
Total (B)	B	-	3.09	-	3.09
Total Comprehensive income for the year		**-**	**10.67**	**-**	**10.67**
Total Comprehensive income after tax for the year		**335.34**	**13.37**	**(47.49)**	**301.20**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

2.2.2 Reconcilaition of profit and loss for the year ended March 31, 2015 (Proforma)

₹ in million

	Note No.	For the year ended March 31, 2015			
		Previous GAAP	**Proforma Adjustments**	**Restated Adjustment**	**As per Restaed Ind AS**
REVENUE					
Revenue from operations		5,123.44	-	-	5,123.44
Other income	A	21.07	(0.14)	3.63	24.56
Total Income		**5,144.51**	**(0.14)**	**3.63**	**5,148.00**
EXPENSES					
Operating expenses for drilling and workover		2,728.82	-	-	2,728.82
Manufacturing expenses		1.48	-	-	1.48
Employee benefits expenses	B	585.39	(3.14)	-	582.25
Finance costs		493.61	-	27.18	520.79
Depreciation and amortization expense	C	469.05	(0.01)	17.34	486.38
Other expenses	C	355.10	0.01	(27.17)	327.94
Total Expenses		**4,633.45**	**(3.14)**	**17.35**	**4,647.66**
Profit Before Tax		**511.06**	**3.00**	**(13.72)**	**500.34**
Tax Expenses					
Current tax (Including foreign tax)		(167.30)	-	-	(167.30)
Minimum alternate tax credit entitlement		66.55	-	-	66.55
Minimum alternate tax credit entitlement of earlier years				(3.20)	(3.20)
Deferred tax	B/ G	(31.68)	(0.80)	(38.07)	(70.55)
Excess provision for tax in respect of earlier years		10.47	-	-	10.47
Profit for the year		**389.12**	**2.20**	**(54.99)**	**336.31**
Other Comprehensive Income					
(A) Items that will be reclassified to profit or loss					
(Loss) arising from translating the Financial Statements of foreign operations		-	(27.60)	-	(27.60)
Total (A)	B	-	(27.60)	-	(27.60)
(B) Items that will not be reclassified to profit or loss					
(a) Loss on remeasurement of defined benefit plans		-	3.14	-	3.14
(b) Tax effect on above		-	(0.80)	-	(0.80)
Total (B)	B	-	2.34	-	2.34
Total Comprehensive income for the year		**-**	**(29.94)**	**-**	**(29.94)**
Total Comprehensive income after tax for the year		**389.12**	**(27.74)**	**(54.99)**	**306.37**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

2.3 Total equity reconciliation: ₹ in million

	Note No.	As at March 31, 2016	As at March 31, 2015 (Proforma)
Total equity (Shareholders' funds) under Previous GAAP		**5,124.57**	**4,865.29**
Dividends (Including dividend distribution tax) not recognised as liability	F	89.81	68.69
Effect of measuring investments at fair value	A	0.21	0.60
Total equity under Ind AS		**5,214.59**	**4,934.58**
Deferred tax liability	G	242.94	214.74
Restated total equity		**4,971.65**	**4,719.84**
Restated adjustments		(154.92)	(107.41)
Restated total equity		**4,816.73**	**4,612.43**

2.4 Total Comprehensive income reconciliation:

	Note No.	As at March 31, 2016	As at March 31, 2015 (Proforma)
Profit reported under the Previous GAAP		**630.05**	**489.84**
Tax Adjustment of earlier years	D	(294.74)	(100.75)
Adjusted net profit as per Previous GAAP		**335.31**	**389.09**
Effect of measuring investments at fair value	A	(0.39)	(0.14)
Effect of loss on remeasurement of defined benefit plan	B	3.09	2.34
Net profit for the year as per Ind AS		**338.01**	**391.29**
Other comprehensive income (net of tax)	E/ H	10.67	(29.94)
Total comprehensive income as per Ind AS		**348.69**	**361.36**
Deferred tax liability	G	(28.20)	(42.83)
Restated total comprehensive income as per Ind AS		**320.49**	**318.53**
Restated adjustment as per statement of profit and loss		(47.49)	(54.99)
Restated total comprehensive income		**273.00**	**263.54**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP

2.5 Effect of IND AS adoption on the Restated Consolidated Summary Statement of Cash Flows:
There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

Notes to the reconciliations

A. Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS, Non-current investment (other than investments in associate) are measured at fair value through profit or loss. Consequently, the difference as at the transition date and for the year ended 31st March, 2015, respectively between carrying value as per previous GAAP and fair value, have been accounted for.

B. Under previous GAAP, actuarial gain and (loss) on employees defined benefit obligations were recongnized in profit or loss. Under Ind AS, actuarial gains and losses on remeasurment of net defined benefit obligations are recongnized in Other Comprehensive Income.

C. Under previous GAAP, leasehold lands were capitalized under fixed assets and depreciated over the lease term. Under Ind AS, these have to be assessed as to whether they are in the nature of an operating lease or a financing lease, basis the terms and conditions in the lease agreement. Consequently, leasehold lands in the nature of operating leases have been presented as prepaid non-current/ current asset as applicable. The erstwhile amortization is presented as lease rent expense. Therefore, this has been reclassified as at 1st April, 2014 and 31st March, 2015 respectively from property plan and equipment to prepaid non-current/ current asset.

D. Tax Adjustment represents short provision of current tax in respect of earlier years being tax expenses in respect of foreign branch.

E. Under Ind AS, specified items of income, expense, gains and losses are presented under OCI which was not a requirement under previous GAAP.

F.	Under previous GAAP, proposed dividends were recognised as a provision in the financial statements, even if declared after the balance sheet date being an adjusting event. Under Ind AS, dividends are recognised when approved by the shareholders in the Annual General Meeting.
G.	The Group capitalized exchange rate differences arising on long-term borrowings on acquisition of various items of PPE, as permitted under Paragraph 46A of the erstwhile Accounting Standard 11 (AS 11) "The Effects of Changes in Foreign Exchange Rates". Effective April 1, 2016, the Group transitioned to Indian Accounting Standards ('Ind AS') with transition date as at April 1, 2015. Ind AS 101 – "First Time Adoption of Indian Accounting Standard" permits the Group to continue capitalizing the exchange differences as required under the aforesaid paragraph of AS 11. The Income Tax Law permits such capitalization only in respect of realised exchange differences. The Group had therefore treated adjustments to carrying value of fixed assets attributable to such exchange rate differences as a permanent difference and did not create deferred tax liability thereon. Subsequent to March 31, 2017, the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India (ICAI) issued ITFG-8, which clarified that the Group must recognize deferred tax liability on the transition date i.e. April 1, 2015 on exchange rate differences capitalized under Paragraph 46A of erstwhile AS 11. The Group in its audited financial statements for the year ended March 31, 2017 has not given impact of the ITFG-8 and has now accounted the same in these restated financial statements with a corresponding adjustment in the opening reserves as at April 1, 2015 for an amount of Rs. 214.74 million and for Rs. 28.20 million in FYs 2015-16 in accordance with Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors".
H.	Foreign currency translation reserve represents exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian Rupees) which are recognised directly in other comprehensive income and accumulated in this foreign currency translation reserve.

2.6 Total equity reconciliation as at March 31, 2015-Proforma

The Proforma financial information of the Group as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads have been made in the consolidated proforma financial information.

This consolidated proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note. The impact of Ind AS 101 on the equity under Indian GAAP as at March 31, 2015 and the impact on the profit for the year ended March 31, 2015 due to the Ind- AS principles applied on proforma basis during the year ended March 31, 2015 can be explained as under:

₹ in million

	Note No. as stated in 2	As at March 31, 2015 (Proforma)
Total equity (Shareholders' funds) under Previous GAAP		**4,865.29**
Proforma adjustments		
Dividends (Including dividend distribution tax) not recognised as liability until declared under Ind AS	F	68.69
Effect of measuring investments at fair value	A	0.60
Total equity under Ind AS- Proforma		**4,934.58**
Deferred tax liability	G	**214.74**
Restated total equity under Ind AS- Proforma		**4,719.84**
Restated Adjustment		(107.41)
Restated total equity under Ind AS- as at April 1, 2015- Date of transition *		**4,612.43**

* Refer to note 2.3

₹ in million

Note 3.1

Restated Consolidated Statement Property, plant and equipment and Capital work-in-progress

For the period ended 30 September 2017

Description	**Gross Carrying Amount (Cost/ Deemed Cost)**					**Depreciation**					**Net Carrying Value**
Property, Plant and Equipment (PPE)	**As at April 1, 2017**	**Additions**	**Deductions**	**Adjustment***	**As at September 30, 2017**	**As at April 1, 2017**	**Charge during the year**	**Deductions**	**Adjustment***	**As at September 30, 2017**	**As at September 30, 2017**
Tangible Assets											
Freehold land	10.38				10.38	**-**	**-**	-		-	10.38
Building and roads	38.70	-	-	-	38.70	**2.77**	0.72	-		3.49	35.21
Plant and equipment [Refer note (a) below]	10,233.67	1,836.60	4.28	-29.90	12,036.09	**994.88**	287.15	0.40	-3.50	1,278.14	10,757.95
Electric installation	1.49	-	-	-	1.49	**0.64**	0.14	-	-	0.78	0.71
Furniture and fixtures	9.01	0.06	-	-0.01	9.06	**3.43**	0.82	-	-0.00	4.25	4.81
Office equipments	30.62	0.33	-	-	30.95	**17.03**	4.15	-	-	21.18	9.77
Computers	3.70	0.63	-	-0.00	4.32	**2.48**	0.45	-	-0.00	2.92	1.40
Vehicles	44.62	0.06	-	-	44.68	**13.43**	3.48	-		16.91	27.77
TOTAL	**10,372.19**	**1,837.68**	**4.28**	**-29.91**	**12,175.67**	**1,034.66**	**296.91**	**0.40**	**-3.51**	**1,327.67**	**10,848.00**
Capital work-in-progress [Refer note (a) below]											**108.27**

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

For the year ended 31st March, 2017 **₹ in million**

Description	**Gross Carrying Amount (Cost/ Deemed Cost)**					**Depreciation**					**Net Carrying Value**
Property, Plant and Equipment (PPE)	**As at April 1, 2016**	**Additions**	**Deductions**	**Adjustment***	**As at March 31, 2017**	**Upto March 31, 2016**	**Charge during the year**	**Deductions**	**Adjustment***	**Upto March 31, 2017**	**As at March 31, 2017**
Tangible Assets											
Freehold land	10.38	-	-	-	10.38	-	-	-	-	-	10.38
Building and roads	37.01	1.70	-	-	38.70	1.34	1.43	-	-	2.77	35.93
Plant and equipment [Refer note (a) below]	10,165.66	118.70	27.72	(22.96)	10,233.67	505.32	493.52	3.85	(0.10)	994.88	9,238.79
Electric installation	1.49	-	-	-	1.49	0.32	0.32	-	-	0.64	0.85
Furniture and fixtures	9.02	-	-	(0.01)	9.01	1.75	1.66	-	0.02	3.43	5.58
Office equipments	28.56	2.07	-	-	30.62	8.42	8.62	-	(0.01)	17.03	13.59
Computers	2.97	0.85	0.13	(0.00)	3.70	1.63	0.96	0.12	0.01	2.48	1.22
Vehicles	35.65	9.46	0.49	-	44.62	6.48	7.21	0.26	-	13.43	31.19
TOTAL	**10,290.74**	**131.78**	**28.34**	**(22.97)**	**10,372.19**	**525.27**	**513.72**	**4.23**	**(0.08)**	**1,034.66**	**9,337.53**
Capital work-in-progress [Refer note (a) below]											**1,776.04**

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

For the year ended 31st March, 2016

Description	Gross Carrying Amount (Cost/ Deemed Cost)					Depreciation					Net Carrying Value
Property, Plant and Equipment (PPE)	**As at April 1, 2015**	**Additions**	**Deductions**	**Adjustment***	**As at March 31, 2016**	**Upto March 31, 2015**	**Charge during the year**	**Deductions**	**Adjustment***	**Upto March 31, 2016**	**As at March 31, 2016**
Tangible Assets											
Freehold land	10.38	-	-	-	10.38	-	-	-	-	-	10.38
Building and roads	37.60	0.74	1.33	-	37.01	-	1.40	0.06	-	1.34	35.66
Plant and equipment [Refer note (a) below]	9,777.11	328.72	31.91	91.74	10,165.66	-	507.23	4.03	2.10	505.32	9,660.34
Electric installation	1.49	-	-	-	1.49	-	0.32	-	-	0.32	1.17
Furniture and fixtures	8.96	0.04	-	0.02	9.02	-	1.76	-	0.00	1.75	7.26
Office equipments	26.40	2.34	0.18	-	28.56	-	8.48	0.06	-	8.42	20.14
Computers	2.10	1.23	0.37	0.01	2.97	-	1.96	0.33	0.00	1.63	1.34
Vehicles	35.72	0.94	1.01	-	35.65	-	7.12	0.64	-	6.48	29.17
TOTAL	**9,899.76**	**334.01**	**34.80**	**91.77**	**10,290.74**	**-**	**528.27**	**5.12**	**2.10**	**525.27**	**9,765.46**
Capital work-in-progress [Refer note (a) below]											**439.61**

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

For the year ended 31st March, 2015 (Proforma)

Description	**Gross Carrying Amount (Cost/ Deemed Cost)**					**Depreciation**					**Net Carrying Amount**
Property, Plant and Equipment (PPE)	**As at April 1, 2014 [Refer note (d)]**	**Additions**	**Deductions**	**Adjustment***	**As at March 31, 2015**	**Upto March 31, 2014 [Refer note (d)]**	**Charge during the year**	**Transition adjustment**	**Deductions**	**Upto March 31, 2015**	**As at March 31, 2015**
Freehold land	10.38	-	-	-	10.38	-	-	-	-	-	10.38
Building and roads	38.79	0.19	-	-	38.98	-	1.39	-	-	1.39	37.60
Plant and equipment [Refer note (a) below]	8,604.42	1,781.18	7.76	-	10,377.84	-	455.80	145.23	0.30	600.73	9,777.11
Electric installation	1.76	0.03	-	-	1.79	-	0.30	-	-	0.30	1.49
Furniture and fixtures	10.35	0.46	-	-	10.81	-	1.85	-	-	1.85	8.96
Office equipments	14.89	18.82	0.42	-	33.29	-	6.94	-	0.05	6.89	26.40
Computers	3.75	1.46	-	-	5.21	-	1.68	1.43	-	3.11	2.10
Vehicles	35.65	10.27	2.00	-	43.92	-	8.10	1.29	1.19	8.20	35.72
TOTAL	**8,719.99**	**1,812.41**	**10.18**	**-**	**10,522.22**	**-**	**476.06**	**147.95**	**1.54**	**622.47**	**9,899.76**
Capital work-in-progress [Refer note (a) below]											**-**

₹ in million

The Company has availed the deemed cost exemption in relation to the PPE on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Refer note below for the gross block value and the accumulated depreciation on April 1, 2014 under the previous GAAP.

Property, Plant and Equipment (PPE)	Gross Block (At cost)	Accumulated	Net Block
	As at April 1, 2014	As at April 1, 2014	As at April 1, 2014
Freehold land	10.38	-	10.38
Building and roads	49.14	10.35	38.79
Plant and equipment [Refer note (a) bel	10,451.52	1,847.10	8,604.42
Electric installation	3.16	1.40	1.76
Furniture and fixtures	17.99	7.64	10.35
Office equipments	25.84	10.95	14.89
Computers	17.44	13.69	3.75
Vehicles	58.46	22.81	35.65
TOTAL	**10,633.93**	**1,913.94**	**8,719.99**

The Proforma financial information of the Company as at and for the year ended March31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/ HO/ CFD/ DIL/ CIR/ P/ 2016/ 47 dated March 31, 2016 (“SEBI Circular”). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 16) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads has been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note, accordingly difference would arise in the Opening balance of Plant, Property & Equipment as at April 1, 2015.

* Adjustments includes currency movements relating to foreign operations.

Notes:

a) Additions to plant and equipment and capital work-in-progress include exchange gain of Rs. 8.46 million (2016-17: Rs.26.47 Million , 2015-16: Exchange loss of Rs.130.61 Million and 2014-15: 100.24 Million) and borrowing cost of Rs 4.96 million (2016 - 17 Rs.38.53 Million 2015-16: Rs.30.81 Million and 2014-15: 7.20 Million)

b) Pursuant to the Companies Act, 2013 ('the Act'), becoming effective from 1st April, 2014, the Company has reworked depreciation with reference to the estimated useful lives of fixed assets prescribed under Schedule II to the Act. As a result, the charge for depreciation is higher by Rs.57.17 Million for the year ended 31st March, 2015. Further, based on transitional provision in Note 7(b) of Schedule II, an amount of Rs.97.76 Million (net of deferred tax of Rs.50.34 Million) has been adjusted against the retained earnings.

c) For details of assets given as security against borrowings, Refer note 16.

d) Amount of contractual commitments for the acquisition of PPE, Refer note 33.

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₹ in million

Note 3.2 - Intangible Assets

For the period ended 30 September,2017 **₹ in million**

Description	Gross Carrying Amount (Cost/ Deemed Cost)					Amortisation					Net Carrying Value
Intangible Assets	**As at April 1, 2017**	**Additions**	**Deductions**	**Adjustment***	**As at September 30, 2017**	**As at April 1, 2017**	**Charge during the year**	**Deductions**	**Adjustment***	**As at September 30, 2017**	**As at September 30, 2017**
Softwares	0.60	-	-	-	0.60	0.40	0.07	-	-	0.47	0.13
TOTAL	**0.60**	**-**	**-**	**-**	**0.60**	**0.40**	**0.07**	**-**	**-**	**0.47**	**0.13**

For the year ended 31st March, 2017 **₹ in million**

Description	Gross Carrying Amount (Cost/ Deemed Cost)					Amortisation					Net Carrying Value
Intangible Assets	**As at April 1, 2016**	**Additions**	**Deductions**	**Adjustment***	**As at March 31, 2017**	**Upto March 31, 2016**	**Charge during the year**	**Deductions**	**Adjustment***	**Upto March 31, 2017**	**As at March 31, 2017**
Softwares	0.60	-	-	-	0.60	0.19	0.21	-	-	0.40	0.20
TOTAL	**0.60**	**-**	**-**	**-**	**0.60**	**0.19**	**0.21**	**-**	**-**	**0.40**	**0.20**

For the year ended 31st March, 2016

Description	Gross Carrying Amount (Cost/ Deemed Cost)					Amortisation					Net Carrying Value
Intangible Assets	**As at 1st April, 2015**	**Additions**	**Deductions**	**Adjustment***	**As at 31st March, 2016**	**Upto 31st March, 2015**	**Charge during the year**	**Deductions**	**Adjustment***	**Upto March 31, 2016**	**As at March 31, 2016**
Softwares	0.35	0.25	-	-	0.60	-	0.19	-	-	0.19	0.41
TOTAL	**0.35**	**0.25**	**-**	**-**	**0.60**	**-**	**0.19**	**-**	**-**	**0.19**	**0.41**

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₹ in million

For the year ended 31st March, 2015 (Proforma)

Description	**Gross Carrying Amount (Cost/ Deemed Cost)**					**Amortisation**					**Net Carrying Amount**
Intangible Assets	**As at April 1, 2014 (Refer note)**	**Additions**	**Deductions**	**Adjustment***	**As at March 31, 2015**	**Up to March 31, 2014**	**Charge during the year**	**Transition adjustment**	**Deductions**	**Up to March 31, 2015**	**As at March 31, 2015**
Software	1.07	-	-	-	1.07	-	0.58	0.14	-	0.72	0.35
Goodwill	9.74	-	-	-	9.74	-	9.74	-	-	9.74	-
TOTAL	**10.81**	**-**	**-**	**-**	**10.81**	**-**	**10.32**	**0.14**	**-**	**10.46**	**0.35**

* Adjustments includes currency movements relating to foreign operations.
The Company has availed the deemed cost exemption in relation to the Intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.
Refer note below for the gross block value and the accumulated depreciation on April 1, 2014 under the previous GAAP.

Intangible assets	**Gross Block (At cost)**	**Accumulated**	**Net Block**
	As at April 1, 2014	**As at April 1, 2014**	**As at April 1, 2014**
Software	5.83	4.76	1.07
Goodwill	48.74	39.00	9.74
TOTAL	**54.57**	**43.76**	**10.81**

Note:
The Proforma financial information of the Company as at and for the year ended March31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/ HO/ CFD/ DIL/ CIR/ P/ 2016/ 47 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 16) as initially adopted on its Ind AS transition date (i.e. April 1, 2015) while preparing the proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads has been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015 as described in this Note, accordingly difference would arise in the Opening balance of Plant, Property & Equipment as at April 1, 2015.

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
4	**Non-Current Financial Asset - Investment**				
4.1	**Investments in associate:**				
	In Equity Shares (Unquoted and carried at amortised cost)				
	Fully paid up equity shares of Bahrain Dinar 100 each				
	100 shares in John Energy Well Services Middle East WLL	3.48	3.55	3.61	-
	TOTAL	**3.48**	**3.55**	**3.61**	-
4.2	**Investments in Others:**				
	(Quoted, carried at the fair value through profit and loss account)				
	Fully paid up equity shares of Rs.10 each				
	4,000 shares of Bank of India Limited	0.55	0.56	0.39	0.78
	TOTAL	**0.55**	**0.56**	**0.39**	**0.78**
4.3	Aggregate cost of:				
	Quoted investments	0.18	0.18	0.18	0.18
	Unquoted investments	3.48	3.55	3.61	-
		3.66	3.73	3.79	0.18
4.4	Market value of quoted investments	0.55	0.56	0.39	0.78
4.5	Aggregate value of investments				
	(a) In others at fair value through profit or loss (FVTPL)				
	Carrying amount as per previous year's GAAP (as on 31 March 2015)	0.56	0.39	0.78	0.18
	Fair Value Adjustment	(0.01)	0.17	(0.39)	0.60
	Carrying amount as per Ind AS	0.55	0.56	0.39	0.78

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
5	**Non-Current Financial Assets- Others**				
	(Unsecured, considered good)				
	Lease and security deposits	3.77	5.83	4.55	4.77
	TOTAL	**3.77**	**5.83**	**4.55**	**4.77**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
6	**Non-Current- Advance tax assets (net)**				
	Advance tax (net of provision)	148.08	119.99	87.57	58.97
	MAT credit entitlement	-	447.27	447.26	360.81
	TOTAL	**148.08**	**567.26**	**534.83**	**419.78**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
7	**Other Non-Current Asset**				
	(Unsecured, considered good)				
	Capital advances	18.61	1.76	109.94	162.61
	Other loans and advances [Refer note 7.1]	52.13	27.85	36.70	85.65
	Prepayments under operating leases	0.83	0.83	0.86	0.86
	Deposits	0.35	-	-	-
	TOTAL	**71.92**	**30.44**	**147.50**	**249.12**
7.1	Other loans and advances includes prepaid expense, service tax paid under protest, etc.				

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
8	**Inventories**				
	Stores and spares	727.32	764.61	721.35	655.48
	TOTAL	**727.32**	**764.61**	**721.35**	**655.48**
8.1	Cost of materials consumed during the year is Rs. 302.83 Million (2016-17:Rs.605.39 Million, 2015-16: Rs.531.12 Million, 2014-15 Rs. 511.44 Million)				
8.2	Inventories of Rs. Nil Million (at 31st March, 2017: Rs.158.5 Million, at 31st March, 2016: Rs.111.2 Million; as at 31st March, 2015: Rs.75.6 Million) are expected to be used after more than twelve months				

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
9	**Current Financial asset- Trade Receivables**				
	(Unsecured)				
	Considered Good- Others	929.04	953.62	965.45	1,033.59
	Considered Doubtful	-	-	-	8.20
		929.04	953.62	965.45	1,041.79
	Less: Provisions	-	-	-	8.20
	TOTAL	**929.04**	**953.62**	**965.45**	**1,033.59**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
10	**Current Financial asset**				
10.1	**Cash and cash equivalents**				
	Cash on hand	2.68	1.00	0.82	0.68
	Balances with banks in current accounts	184.05	531.68	410.44	435.88
	TOTAL	**186.73**	**532.68**	**411.26**	**436.56**
10.2	**Bank balance other than (10.1) above**				
	Balances in bank deposit and margin monies accounts [Refer note 10.3]	258.73	253.00	222.86	175.58
	TOTAL	**445.46**	**785.68**	**634.13**	**612.14**
10.3	Other Bank Balances include Rs.218.22 Million(as at 31 March 2017:Rs.226.69 Million, as at 31st March, 2016: Rs.194.78 Million, as at 31st March, 2015 Rs.156.85 Million) on which banks have a lien against bank guarantees.				

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
11	**Current Financial Assets- Others**				
	(Unsecured, considered good)				
	Unbilled revenue	265.07	357.39	495.22	596.86
	Deposits	1.52	-	-	-
	Interest accrued on fixed deposits	5.28	4.85	3.84	7.40
	Receivable for assets disposed (refer note 2)	2.89	-	-	-
	TOTAL	**274.76**	**362.24**	**499.06**	**604.26**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
12	**Other current assets**				
	(Unsecured, considered good)				
	Advance to vendors	83.99	34.91	26.28	22.71
	Other loans and advances [Refer note 12.1]	176.93	112.10	64.21	58.28
	Income tax refund receivables	67.67	67.67	86.99	-
	Prepayments under operating leases	0.01	0.01	0.01	0.01
	TOTAL	**328.60**	**214.69**	**177.49**	**81.00**
12.1	Other loans and advances includes prepaid expenses and input credit receivables.				

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
13	**Equity Share Capital**				
	Authorised:				
	39,556,030 equity shares of Rs.10 each	395.56	-	-	-
	30,556,000 equity shares of Rs.10 each	-	305.56	305.56	305.56
	TOTAL	**395.56**	**305.56**	**305.56**	**305.56**
	Issued, Subscribed and Fully Paid Up:				
	18,367,454 equity shares of Rs.10 each (As at 31 March 2017: 18,367,454; 31 March 2016: 17,546,487 and 31 March 2015: 17,546,487) (Refer note 13.3)	183.67	183.67	175.46	175.46
	TOTAL	**183.67**	**183.67**	**175.46**	**175.46**

13.1 820,967 equity shares of Rs.10 each were issued on conversion of 900,003 nos. 0.05% Optionally Convertible Cumulative Redeemable Preference Shares (Series-V) of Rs.100 each on 31 July 2016 pursuant to Share Subscription Agreement between the Company and the preference shareholders. Accordingly, the authorised share capital of the Company has been reclassified from Rs 395.56 million comprising of 30,556,000 equity shares of Rs.10 each and 900,003 Optionally Convertible Cumulative Redeemable Preference shares of Rs.100 each, to Rs.395.56 million comprising of 39,556,030 equity shares of Rs.10 each.

Each holder of the equity shares is entitled to one vote per share and in the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Note No.	Details of shareholding in excess of 5% : Names of the equity shareholders	Number of shares and % of holding	Number of shares and % of holding	Number of shares and % of holding	Number of shares and % of holding
13.2	Maheshkumar N. Vyas	3,848,485 20.95%	3,848,485 20.95%	3,848,485 21.93%	3,848,485 21.93%
	Rakesh Radheshyam Jhunjhunwala	3,345,169 18.21%	3,345,169 18.21%	3,345,169 19.06%	3,345,169 19.06%
	India Rig Company	2,859,867 15.57%	2,859,867 15.57%	2,859,867 16.30%	2,859,867 16.30%
	John Oil and Gas Limited	2,283,940 12.43%	2,283,940 12.43%	2,283,940 13.02%	2,283,940 13.02%
	Dilipkumar Vyas	1,180,355 6.43%	1,180,355 6.43%	1,180,355 6.73%	1,180,355 6.73%
	Chirag Vyas	941,960 5.13%	941,960 5.13%	941,960 5.37%	941,960 5.37%

Note No.	Reconciliation of the number of shares	Number of Shares	Number of Shares	Number of Shares	Number of Shares
13.3	**Equity shares**				
	At the beginning of the year	18,367,454	17,546,487	17,546,487	17,546,487
	Add: Issued on conversion of OCCRPS Series- V during the period / year	-	820,967	-	-
	At the end of the period/year	18,367,454	18,367,454	17,546,487	17,546,487

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
14	**Preference Share Capital**				
	Authorised:				
	9,00,003 Optionally Convertible Cumulative Redeemable Preference Shares-Series-V (OCCRPS) of Rs. 100 each	-	90.00	90.00	90.00
	TOTAL	**-**	**90.00**	**90.00**	**90.00**
	Issued, Subscribed and Fully Paid Up:				
	Nil 0.05% Optionally Convertible Cumulative Redeemable Preference Shares Series-V of Rs.100 each # (As at 31 March 2017: Nil; 31 March 2016: 900,003; 31 March 2015: 900,003)	-	-	90.00	90.00
	[Refer Note 14.3]				
	TOTAL	**-**	**-**	**90.00**	**90.00**
#	Issued in terms of share subscription agreement and were optionally convertible as per the terms, defined under the share subscription agreement.				

₹ in million

14.1	Preference shareholders were entitled to receive dividend at the specified rate. If no dividend is declared, the entitlement is cumulated. Preference shareholders were not entitled to vote. Upon conversion of all or any portion of the OCCRPS to equity shares, the resultant equity shares shall rank pari-passu with the equity shares existing on date of conversion.				
14.2	Details of shareholding in excess of 5% :	Number of shares and % of holding	Number of shares and % of holding	Number of shares and % of holding	Number of shares and % of holding
	Name of the Shareholders - OCCRPS Series-V				
	ICICI Bank Limited	-	-	900,003	900,003
		-	-	100.00%	100.00%
14.3	Reconciliation of the number of shares	Number of Shares	Number of Shares	Number of Shares	Number of Shares
	0.05% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) (Series-V)				
	At the beginning of the year	-	900,003	900,003	900,003
	Less: Converted to equity shares during the period / year	-	900,003	-	-
	At the end of the year	-	-	900,003	900,003

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
15	**Other Equity**				
a)	Securities Premium Reserve	2,700.36	2,700.36	2,618.57	2,618.57
b)	Capital Redemption Reserve	110.27	110.27	110.27	110.27
c)	General Reserve	65.42	65.42	65.42	65.42
d)	Retained Earnings	3,002.04	2,908.44	2,284.69	2,062.85
e)	Other comprehensive income	(45.03)	(43.16)	(19.28)	(29.94)
	TOTAL	**5,833.06**	**5,741.33**	**5,059.67**	**4,827.17**

15.1 Description of nature and purpose of each reserve:

a) Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

b) Capital redemption reserve was created out of general reserve on redemption of preference shares in the financial year 2013-14. This reserve can be utilised by the Company for issue of bonus shares as per provisions of Companies Act, 2013.

c) General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

d) Other comprehensive income consists of Remeasurement of gain/(loss) on defined benefit plan and Foreign currency translation reserve on foreign operations.

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
16	**Non-Current Financial Liabilities- Borrowings**				
	(Secured)				
	Term Loans				
	From banks [Refer note 16.1 and 16.4]	3,036.44	3,543.88	3,221.30	3,603.55
	From financial institution [Refer note 16.2 and 16.4]	22.72	41.55	33.18	-
		3,059.16	3,585.43	3,254.48	3,603.55
	Other loans and advances				
	Vehicle loans from banks [Refer note 16.3 and 16.4]	6.25	7.46	7.16	11.24
	TOTAL	**3,065.41**	**3,592.89**	**3,261.64**	**3,614.79**

16.1 Term loans from banks including current maturities thereof [Refer note 22] are secured by hypothecation of movable assets of the Group, including machinery spares, tools and accessories, escrow accounts for certain rigs and personal guarantees of certain Directors and others. Term loans are further secured by :
-First Charge over the fixed assets and its equipment's created out of Bank's finance.
-Second Charge on current assets
-Equitable mortgage of residential properties belonging to the promoter directors, office premises and freehold land of the Group and John Oil and Gas Limited, assignment of key man insurance policies as pledge and lien on bank deposits
-Personal Guarantees of Promoter Directors and their relatives
-Corporate Guarantee of John Oil & Gas Limited

16.2 Terms loans from others including current maturities thereof [Refernote 22] are secured by hypothecation of the equipment purchasedthere against.

16.3 Vehicle loans from banks including current maturities thereof [Refernote 22] are secured by hypothecation of the vehicles financed.

16.4 Rate of interest ranges from 5% to 15% p.a and Maturity profile of long term borrowings is set out below:

	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Maturity Profile of Term loans and other loans and advances				
Less then one year (refer note 22)	1,101.12	-	-	-
1-2 years	999.46	1,077.48	956.84	784.69
2-3 years	504.63	733.22	1,024.90	761.46
Beyond 3 years	1,561.33	1,782.19	1,279.90	2,068.64

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
17	**Non current financial liabilities- others**				
	Derivatives not designated in hedging relationship	90.11	64.56	-	-
	TOTAL	**90.11**	**64.56**	-	-

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
18	**Non-Current Provisions**				
	For employee benefits:				
	-Compensated absences	3.44	2.76	2.64	1.59
	TOTAL	**3.44**	**2.76**	**2.64**	**1.59**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
19	**Deferred Tax Liabilities (Net)**				
	Deferred Tax Liabilities :				
	Differences between tax and books written down values of PPE	1,373.36	1,392.98	1,304.29	1,157.84
	Unrealised exchange rate differences	17.63	-	-	-
	Investments at fair value through profit or loss	5.23	-	-	-
		1,396.23	1,392.98	1,304.29	1,157.84
	Deferred Tax Assets :				
	MAT credit entitlement	(447.27)	-	-	-
	Unabsorbed depreciation	-	-	-	(38.13)
	Provision for doubtful debts/ advances	-	-	-	(5.19)
	Disallowance u/s 43B of the Income-tax Act, 1961, etc.	(23.70)	(22.48)	(21.65)	(14.52)
		(470.97)	(22.48)	(21.65)	(57.84)
	Deferred Tax Liabilities (Net)	**925.27**	**1,370.50**	**1,282.64**	**1,100.00**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS **₹ in million**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
20	**Current Financial Liabilities- Borrowings**				
	Loans repayable on demand				
	From Banks *(Secured)*				
	Working capital loans [Refer note 20.1 and 20.2]	1,371.41	1,282.35	1,306.09	1,470.37
	Others *(Unsecured)*				
	From directors [Refer note 20.2 and 38]	141.40	141.40	141.40	141.41
	From others [Refer note 20.2]	31.00	31.00	97.89	105.91
		172.40	172.40	239.29	247.32
	TOTAL	**1,543.81**	**1,454.75**	**1,545.38**	**1,717.69**

20.1 Working capital loans repayable on demand are secured by first charge on pari passu basis on all the chargeable current assets and second charge on pari passu basis on all the movable fixed assets of the Group and personal guarantee of certain directors and others. Working capital loans are also secured by:
-First Charge over the fixed assets and its equipment's created out of Bank's finance.
-Second Charge on current assets
-Equitable mortgage of residential properties belonging to the promoter directors, office premises and freehold land of the Group and John Oil and Gas Limited, assignment of key man insurance policies as pledge and lien on bank deposits
-Personal Guarantees of Promoter Directors and their relatives
-Corporate Guarantee of John Oil & Gas Limited

20.2 Rate of interest ranges from 10% to 15% p.a

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
21	**Current Financial Liabilities - Trade Payables**				
	Total outstanding dues of micro enterprises and small enterprises [Refer note 21.1]	-	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	886.18	962.66	934.14	827.55
	TOTAL	**886.18**	**962.66**	**934.14**	**827.55**

₹ in million

21.1 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

a) An amount of Rs. Nil (as at 31st March, 2017: Rs.Nil,as at 31st March, 2016: Rs.Nil, as at 31st March,2015 : Rs. Nil) and Rs. Nil (as at 31st March, 2017,as at 31st March, 2016: Rs. Nil, as at 31stMarch, 2015 : Rs. Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

b) No interest was paid during the year in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.

c) No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.

d) No amount of interest was accrued and unpaid at the end of the accounting year.

e) No interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowances as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

Note

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
22	**Current Financial Liabilities - Others**				
	Current maturities of long-term debt [Refer note 16]	1,101.12	960.18	964.45	1,021.81
	Interest accrued but not due on borrowings	42.33	36.68	67.29	57.20
	Capital creditors	61.44	30.72	76.24	42.76
	For employee benefits- Gratuity [Refer note 37]	-	53.81	39.63	28.19
	Derivatives not designated in hedging relationship	7.39	10.31	-	-
	TOTAL	**1,212.28**	**1,091.70**	**1,147.61**	**1,149.96**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
23	**Current Liabilities - Provisions**				
	For employee benefits:				
	-Compensated absences	1.33	1.06	0.44	0.54
	For employee benefits- Gratuity [Refer note 38]	61.87	-	-	-
	TOTAL	**63.20**	**1.06**	**0.44**	**0.54**

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
24	**Other current liabilities**				
	Statutory dues [Refer note 24.1]	82.95	30.05	19.61	26.25
	TOTAL	**82.95**	**30.05**	**19.61**	**26.25**
24.1	Statutory dues includes payables in respect of service tax, Provident Fund, GST, Tax deducted at sources and others.				

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

Note No.		As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
25	**Current tax liability (Net)**				
	Provision for wealth tax	-	-	-	0.11
	Provision for taxation (net of advance tax)	-	306.32	374.60	29.92
	TOTAL	**-**	**306.32**	**374.60**	**30.03**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
26	**Revenue from Operations**				
	Oil drilling and exploration services	2,274.95	5,718.25	5,575.00	5,107.89
	Sale of rig accessories	3.20	34.57	12.94	13.42
	Sale of water rigs and allied equipments	4.67	14.54	24.00	2.13
	TOTAL	**2,282.82**	**5,767.36**	**5,611.94**	**5,123.44**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
27	**Other Income**				
	Interest Income on financial assets not designated as FVTPL				
	On bank deposits (at amortised cost)	7.86	17.69	14.91	13.47
	On income-tax refund	-	1.53	14.63	4.07
		7.86	19.22	29.54	17.54
	Gain on sale/ disposal of PPE (net)	-	-	-	3.98
	Excess provisions/ balances written back	-	15.75	5.42	-
	Exchange differences (net)	-	13.08	-	-
	Scrap sales	0.33	0.70	1.32	1.84
	Dividend income from Investment carried at FVTPL	-	-	0.02	-
	Gain/(Loss) on Investment carried at FVTPL	-	0.17	(0.39)	(0.14)
	Miscellaneous income	20.98	1.01	3.20	1.34
	TOTAL	**29.17**	**49.93**	**39.11**	**24.56**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
28	**Operating Expenses for Drilling and Workover Rigs**				
	Rig site expenses:				
	a) Technical fees	35.24	79.36	150.40	123.56
	b) Manpower cost	110.53	526.38	628.53	367.31
	c) Catering and other site expense	138.68	411.49	463.23	454.54
	d) Equipment rentals [Refer note 34]	47.54	110.12	144.91	155.60
	e) Transportation	42.12	39.57	37.81	95.95
	f) Rent [Refer note 34]	17.53	43.20	51.33	45.99
		391.64	1,210.12	1,476.21	1,242.95
	Stores and spares consumed	298.72	592.89	513.75	510.62
	Power and fuel	285.75	443.19	369.29	254.77
	Rig movement expense	48.67	271.99	310.60	499.59
	Repairs and maintenance- Plant and equipment	31.94	55.09	39.81	58.05
	Rebates, settlements and liquidated damages	-	0.76	32.14	162.84
	TOTAL	**1,056.72**	**2,574.04**	**2,741.80**	**2,728.82**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
29	**Manufacturing Expenses**				
	Raw Material and Components (Indigenous)	4.11	12.51	17.37	0.82
	Other manufacturing expenses	0.60	1.72	1.52	0.66
	TOTAL	**4.71**	**14.23**	**18.89**	**1.48**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
30	**Employee Benefit Expenses**				
	Salaries, bonus and allowances	330.93	600.79	545.44	544.03
	Contributions to provident fund and other funds [Refer note 37]	16.80	25.11	22.90	22.93
	Staff welfare expenses	5.55	14.24	13.07	15.29
	TOTAL	**353.28**	**640.14**	**581.41**	**582.25**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
31	**Finance Costs**				
	Interest on term loan from banks [Refer note 31.1]	160.52	255.58	284.18	304.65
	Interest on working capital loans	69.45	142.88	175.69	163.54
	Other borrowing costs [Refer note 31.2]	28.10	92.71	70.14	52.60
	Exchange difference to the extent consider as an adjustment to borrowing cost	8.26	-	-	-
	TOTAL	**266.33**	**491.17**	**530.01**	**520.79**
31.1	Includes provisions for MTM loss on IRS contracts (2016-17 : Rs.6.7 Million, 2015-16: Rs.Nil, 2014-15 Rs.Nil.)				
31.2	Other borrowing costs includes bank charges, bank guarantee commissions, interest on delayed payments, etc.				

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
32	**Other Expenses**				
	Rent [Refer note 34]	12.61	23.17	18.02	20.09
	Rates and taxes	29.32	69.72	117.72	43.31
	Repairs and maintenance- Building	0.27	0.37	1.07	1.20
	Repairs and maintenance- Others	7.69	17.58	24.72	10.07
	Insurance	16.32	40.70	40.20	30.58
	Travelling and conveyance	49.67	122.64	96.77	87.33
	Legal and professional fees	2.66	12.82	18.04	23.08
	Communication expenses	4.49	16.79	21.09	17.32
	Vehicle expenses	9.95	33.41	16.01	18.04
	Loss on sale/ disposal of PPE (net)	0.98	9.62	16.12	-
	CSR donation [Refer note 40]	-	2.90	2.48	0.67
	Donation	0.13	6.28	0.69	0.79
	Exchange differences (net)	3.28	-	44.34	45.62
	Provision for doubtful debts	-	-	-	15.00
	Bad debts	-	32.94	28.37	-
	Provisions for MTM loss on derivative contracts	23.23	40.07	-	-
	Miscellaneous expenses	6.88	21.09	10.77	14.84
	Loss on investments carried at FVTPL	0.01	-	-	-
	TOTAL	**167.49**	**450.10**	**456.41**	**327.94**
32.1	Payment to auditors'				
	Audit fees	0.70	3.89	3.89	3.93
	As advisor or in any other capacity in respect of:				
	a) Taxation matters	-	0.28	0.73	0.01
	b) In any other manner (certification work, etc.)	-	1.39	0.08	1.72
	For expenses	-	0.01	0.02	0.02
		0.70	5.57	4.72	5.68

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
33	**Contingent liabilities and Commitments:**				
33.1	**Contingent liabilities:**				
a)	Income tax demands disputed in appeals				
	Pertains to disallowance of higher depreciation rate considered for AY 2002-03 to 2009-10 which was decided in favor of the Company by the Hon'ble Income Tax Appellate Tribunal (ITAT). However, the Department has preferred an appeal before the Hon'ble Gujarat High Court and the matter is pending hearing. Based on the opinion of the legal counsel of the Holding Company, the Management is confident of the outcome being in the favor of the Company and accordingly, no provision is required to be made in these interim consolidated financial statements. However, as a matter of abundant precaution, the aforesaid litigation is being disclosed as contingent as at the reporting date.	114.46	-	-	-
	Primarily relates to disallowance of certain expense for assessment year 2013-14. The matter is pending before Income Tax Appellate Tribunal (ITAT)	10.51	7.95	-	-
b)	Service tax demands disputed in appeals	36.61	34.51	34.51	38.55
	Primarily relates to classification of services for period 2004 to 2010. The matter is pending before The Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.				
	Note: In respect of above disputed demands, the Company is hopeful of succeeding in appeals and as such does not expect any significant liability to materialize.				
c)	Performance guarantees issued to clients	1,014.78	1,018.88	1,029.37	967.41
d)	Corporate guarantees given to bank for credit facility taken by its wholly owned subsidiary	1,339.78	1,329.19	1,359.82	1,533.47
33.2	**Capital and other commitments**				

JOHN ENERGY LIMITED ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS					₹ in million
a)	Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	103.84	50.12	26.89	187.60
b)	Commitment of non disposal (directly or indirectly) of investments or create encumbrances or transfer any of the securities in the subsidiaries without the consent of the shareholders.				
34	**Lease Transactions:** The Group has taken certain premises/ yards/ equipment's on cancellable operating lease basis. The tenure of these leases ranges from 11-24 months with an option of foreclosure. Charge of lease rentals on this count is Rs.77.67 million (2016-2017:176.4 Million, 2015-2016: Rs.214.2 Million, 2014-15: Rs. 221.6 Million)				

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS **₹ in million**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
35	**Earnings per share (EPS)**				
	EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:				
	Profit for the period / year after tax (Rupees)	163.31	713.56	290.53	336.30
	Less: Dividend on cumulative redeemable preference shares including tax thereon (Rupees)	-	-	0.05	0.05
	Profit after tax for the period / year attributable to equity shareholders for basic EPS (Rupees)	163.31	713.56	290.47	336.25
	Add: Dividend on cumulative convertible preference shares including tax thereon (Rupees)	-	-	0.05	0.05
	Profit for the period / year attributable to equity shareholders for diluted EPS (Rupees)	163.31	713.56	290.53	336.30
	Weighted avg. Number of equity shares outstanding during the period /year (for calculating basic EPS)	18,367,454	18,083,265	17,546,487	17,546,487
	Add, Potential equity shares that could arise on conversion of preference shares	0	-	820,967	820,967
	Weighted average no. of equity shares outstanding during the period / year (for calculating diluted EPS)	18,367,454	18,083,265	18,367,454	18,367,454
	Basic Earnings per Share (Rupees)	8.89	39.46	16.55	19.16
	Diluted Earnings per Share (Rupees)	8.89	39.46	15.82	18.31
	Nominal value per share (Rupees)	10.00	10.00	10.00	10.00

36 **Segment information:**

The Company is engaged in the business of the Oil drilling and exploration services and other related services in connection therewith, consequently there is a single business segment.

The Company has two geographical segments based upon location of its customers - within and outside India: **(Rs. In Million)**

	Particulars	Within India	Outside India	Unallocated	Total
a)	**Revenue**				
	For the six month period ended 30 September 2017	1,351.87	930.95		2,282.82
	2016-17	2,220.24	3,547.12	-	5,767.36
	2015-16	1,804.85	3,807.09	-	5,611.94

₹ in million

	2014-15	2,376.42	2,747.02	-	5,123.44
b)	**Segment assets**				
	as at 30th September, 2017	7,399.56	3,776.85		11,176.41
	as at 31st March, 2017	8,013.84	5,431.36	1,357.05	14,802.25
	as at 31st March, 2016	6,617.62	6,016.27	1,259.94	13,893.83
	as at 31st March, 2015	6,554.12	5,974.21	1,032.70	13,561.03

36.1 Segment revenue reported above represents revenue generated from external Customers.

36.2 Single customer who contributed 10% or more of the total revenue for the period are: One customer within India - 45.25% and one customer within Algeria -40.78% (2016-17 One customer within India - 24.9%, and one customer within Algeria - 61.5% , 2015-16 :One customer within India - 13.4%and one customer within Algeria -67.8%, 2014-15 :One customer within India - 24.24% and one customer within Algeria - 53.62%

37 Employee Benefits:

a) **Defined Contribution Plan:**

Eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. Amount recognized as expense amounts to Rs. 10.25 Million (2016-17: 14.13 Million, 2015-16: Rs.14.25 Million, 2014-15: RS. 15.23 Million).

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

b) **Defined Benefit Plan: Gratuity (Funded)**

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
I - Expense recognized in the Statement of Profit and Loss:				
Current service cost	3.93	6.68	5.17	3.62
Interest cost	1.83	3.00	2.23	3.45
Expense recognized during the period /year	5.76	9.68	7.40	7.07
Expense recognized in other comprehensive income (OCI):				
Actuarial (gain)/ losses on obligation for the period /year	3.31	5.59	4.60	2.34
Return on plan assets, excluding interest income	(0.01)	0.05	0.13	-
Net (income)/expense for the period recognized in OCI	3.30	5.64	4.73	2.34
II - Changes in the present value of defined benefit obligation representing				
As at the beginning of the period /year	62.66	53.99	45.91	38.61
Current service cost	3.93	6.68	5.17	5.17
Asset Transferred In/Acquisitions	-	1.08	-	-
Interest cost	2.14	4.08	3.63	3.45
Contribution paid	(2.60)	-	-	(2.06)
Benefits paid from the fund	-	(7.63)	(4.63)	-
Benefits paid by employer	-	(1.14)	(0.69)	(2.02)
Actuarial losses	3.31	5.59	4.60	2.76
As at the end of the period /year	69.43	62.66	53.99	45.91
III - Movement in net liability recognized in Balance Sheet				
As at the beginning of the period /year	53.81	39.63	28.19	20.81
Expenses recognized during the period /year	9.06	15.32	12.13	9.40
Contributions made	(1.00)	(1.14)	(0.69)	(2.02)
As at the end of the period /year	61.87	53.81	39.63	28.19
IV - Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof:				

₹ in million

Fair value of plan assets at the beginning of the period /year	8.86	14.36	17.72	17.81
Expected return on plan assets	0.30	1.09	1.40	1.55
Asset Transferred In/Acquisitions	1.00	1.08	-	-
Actuarial (loss)/gain on plan assets	0.01	(0.05)	(0.13)	0.43
Contribution Paid	-	-	-	(2.06)
Benefits Paid	(2.60)	(7.63)	(4.63)	-
Fair value of plan assets at the end of the period /year	7.57	8.86	14.36	17.72
V - Net liability recognized in the Balance Sheet				
Present value of obligation as at the end of the period /year	69.43	62.66	53.99	45.91
Fair value of plan assets as at the end of the period /year	7.57	8.86	14.36	17.72
Net liability recognised in the Balance Sheet	61.87	53.81	39.63	28.19
VI - Return on plan assets				
Expected return on plan assets	0.30	1.09	1.40	1.55
Actuarial (loss)/ gain	0.01	(0.05)	(0.13)	0.43
Actual return on plan assets	0.31	1.04	1.27	1.98

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ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)	
	VII - The major categories of plan assets as a percentage of total plan assets					
	Insurer Managed Funds	100%	100%	100%	100%	
	VIII - Experience adjustment on					
	Plan liabilities loss/ (gain)	4.07	1.63	3.04	1.19	
	Plan assets (loss)/ gain	0.01	(0.05)	(0.13)	0.43	
	IX - Experience adjustment on					
		30.09.2017	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**
	Defined benefit obligations- loss/ (gain)	4.07	1.63	3.04	1.19	1.09
	Plan assets- gain/ (loss)	0.01	(0.05)	(0.13)	0.43	0.79
	Deficit	4.06	1.68	3.16	0.76	0.30
	X - Principal actuarial assumptions					
	Mortality	Indian Assured Lives (2006-08) mortality	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	
	Discount rate	6.94%	6.82%	7.56%	7.90%	
	Estimated rate of return on plan assets	6.94%	6.82%	7.56%	7.90%	
	Annual increase in salary costs	8.00%	8.00%	8.00%	8.00%	

37 Employee benefit plan typically expose the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in indian rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however this will be partially offset by an increase in the return on the plan's debt investment

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and employee turnover.

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
	Change in discount rate by 50 basis points higher/ lower:				
	Increase	(3.00)	(2.73)	(2.28)	(0.78)
	Decrease	3.24	2.95	2.46	0.81
	Change in salary rate by 50 basis points higher/ lower:				
	Increase	3.20	2.91	2.44	0.81
	Decrease	(2.98)	(2.71)	(2.28)	(0.78)
	Change in employee turnover rate by 50 basis points higher/ lower:				
	Increase	(0.33)	(0.32)	(0.15)	(0.07)
	Decrease	0.35	0.34	0.16	0.07

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

38 Related Party Disclosure:

(i) *Enterprises over which key management personnel and their relatives exercise significant influence:*

John Oil and Gas Limited

(ii) *Key management personnel and their relatives:*

Mr. Maheshkumar Vyas	Chairman and Managing Director
Mr. Dilipkumar Vyas	Whole time Director
Mr. Chiragkumar Vyas	Whole time Director
Mr. Rajkumar Vyas	Relative of key management personnel
Mr. Ruchitkumar Vyas	Relative of key management personnel
Mrs. Rasilaben Vyas	Relative of key management personnel
Mrs. Abhaben Vyas	Relative of key management personnel
Mr. Natvarlal Vyas	Relative of key management personnel

(iv) *Transactions with related parties during the period /year:*

Sr. No.	Name of the related party and nature of transactions	Nature of relationship	As at 30 September 2017 (Ind AS)	As at 31 March 2017 (Ind AS)	As at 31 March 2016 (Ind AS)	As at 31 March 2015 (Proforma Ind AS)
1	**John Oil and Gas Limited**	Enterprises over which key management personnel and their relatives exercise significant influence				
	Rent		3.45	6.90	6.90	6.90
	Reimbursement of expenses received/receivable		0.00	0.03	0.02	0.14
	Dividend paid on equity shares		7.31	9.71	7.42	9.14
	Vehicle hire charges		-	-	-	0.09
	Dividend paid on preference shares		-	-	-	0.37
	Closing balance as at period /year end included under "Trade Payables"		20.60	16.93	15.10	15.37
	Corporate guarantee (given jointly along with key management personnel and their relatives) given to banks for credit facilities taken by the Company		1,558.58	1,631.19	1,765.54	1,748.34
2	**Mr. Maheshkumar Vyas**	Key management personnel				
	Managerial remuneration paid / payable		7.20	34.64	22.05	12.60
	Interest on loan paid / payable		5.82	12.08	12.57	13.94
	Loan taken		-	10.00	-	-
	Loan Repaid		-	10.00	-	-
	Dividend paid on equity shares		12.32	16.36	12.51	15.39
	Dividend paid on Preference shares		-	-	-	0.77
	Closing balance as at period /year end included under "Current financial liabilities-Borrowings"		92.90	135.65	138.95	134.09
	Closing balance as at period /year end included under "Current financial liabilities-Others"		0.82			
	Closing balance as at period /year end included under "Trade Payables"		36.93			
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,558.58	2,080.04	2,552.99	2,995.00
	Personal guarantee given (jointly with key management personnel) to banks for credit facilities taken by the Company		481.94	-	-	-

₹ in million

	Personal guarantee given to bank for credit facilities taken by Wholly owned subsidiary (Guarantees given jointly with KMPs)		-	1,329.19	1,359.82	1,533.47
3	**Mr. Dilipkumar Vyas**	Key management personnel				
	Managerial remuneration paid / payable		6.10	12.00	12.00	11.08
	Interest on loan		1.62	3.35	3.49	3.87
	Dividend paid on equity shares		3.78	5.02	3.84	4.72
	Dividend paid on preference shares		-	-	-	0.08
	Closing balance as at period /year end included under "Current financial liabilities-Borrowings"		25.80	26.72	29.98	30.47
	Closing balance as at period /year end included under "Current financial liabilities-Others"		0.23			
	Closing balance as at period /year end included under "Trade Payables"		0.73			
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,558.58	2,042.06	2,552.99	2,955.00
	Personal guarantee given to bank for credit facilities taken by Wholly owned subsidiary (Guarantees given jointly with KMPs)		-	1,329.19	1,359.82	1,533.47
	Personal guarantee given (jointly with key management personnel) to banks for credit facilities taken by the Company		452.58	-	-	-

₹ in million

4	**Mr. Chiragkumar Vyas**	Key management personnel				
	Managerial remuneration paid / payable		1.08	2.10	2.10	1.83
	Interest on loan		1.42	2.95	3.07	3.41
	Dividend paid on equity shares		3.01	4.00	3.06	3.77
	Dividend paid on preference shares			-	-	0.05
	Closing balance as at period /year end included under "Current financial liabilities - Borrowings"		22.70	23.23	24.41	25.57
	Closing balance as at period /year end included under "Current financial liabilities - Others"		0.20			
	Closing balance as at period /year end included under "Trade Payables"		0.17			
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,558.58	1,617.35	1,748.74	1,729.07
	Personal guarantee given (jointly with key management personnel) to banks for credit facilities taken by the Company		68.12	-	-	-
	Personal guarantee given to bank for credit facilities taken by Wholly owned subsidiary (Guarantees given jointly with KMPs)		-	1,329.19	1,359.82	1,533.47
5	**Mr. Chintankumar Vyas**	Relative of key management personnel				
	Salaries, bonus and allowances		5.79	12.06	11.77	0.55
	Advance given			-	-	0.94
	Advance repaid		-	-	1.00	-
	Closing balance as at period /year end included under "Trade Payables"		-	0.98	3.01	0.96
6	**Mr. Rajkumar Vyas**	Relative of key management				
	Salaries, bonus and allowances		0.24	0.46	0.35	0.30
	Closing balance as at period /year end included under "Trade Payables"		0.04	0.04	0.03	0.06
7	**Mr. Ruchitkumar Vyas**	Relative of key management				
	Salaries, bonus and allowances		0.60	0.84	-	0.20
	Closing balance as at period /year end included under "Trade Payables"		0.08	0.08	-	-
8	**Mrs. Rasilaben Vyas**	Relative of key management				
	Dividend paid on equity shares		1.44	1.91	1.46	1.80
	Dividend paid on preference shares		-	-	-	0.03
	Personal guarantee given (jointly with John Oil and Gas Limited, key management personnel and relative) to banks for credit facilities taken by the Company		1,546.41	1,617.35	1,748.74	1,729.07
9	**Mrs. Abhaben Vyas**	Relative of key management				
	Dividend paid on equity shares		0.53	0.70	0.54	0.66
	Dividend paid on preference shares		-	-	-	0.03
10	**Mr. Natvarlal Vyas**	Relative of key management personnel				
	Dividend paid on equity shares		1.14	1.51	1.16	1.42
	Dividend paid on preference shares		-	-	-	0.91

Note:

(v) Remuneration to key managerial personnel and relatives of key managerial personnel excludes contribution to gratuity and leave encashment as the incremental liability has been accounted for by the Company as a whole.

(vi) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.

(vii) Short term employee benefits paid to key managerial personnel and relatives of key managerial personnel for the period Rs 20.16 million (2016-17 Rs.60.7 Million 2015-16: Rs.47.9 Million, 2014-15: Rs. 26.5 Million)

39 Disclosure on Specified Bank Notes (SBNs)

Details of specified bank notes held and transacted during the period 8th November, 2016 to 30th December, 2016

₹ in million

Particulars	**Specified Bank Notes (SBNs)**	**Other denomination notes**	**Total**
Closing cash in hand as on 8th November, 2016	1.05	0.87	1.92
(+) Permitted receipts	-	2.66	2.66
(-) Permitted payments	-	2.38	2.38
(-) Amount deposited in banks	1.05	0.03	1.08
Closing cash in hand as on 30th December, 2016	-	**1.12**	**1.12**

40 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with Schedule VII thereof):

a) Gross amount required to be spent by the Company during the period Rs. 5.56 million (2016-17 - Rs.11.05 Million 2015-16: Rs.12.39 Million, 2014-15: Rs.13.63 Million)

b) Amount spent and paid during the year by way of donations to charitable trusts for the period Rs. Nil (2016-17- Rs.2.90 Million, 2015-16: Rs.2.48 Million, 2014-15 Rs.0.67 Million)

41 Financial instrument

41.1 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

₹ in million

	30 September 2017	**As at March 31,2017**	**As at March 31,2016**	**As at March 31,2015 (Proforma)**
Gross Debt (long-term and short-term borrowings including current maturities)	5,710.34	6,007.83	5,771.47	6,354.29
Cash and bank balances	445.46	785.68	634.13	612.14
Net debt	5,264.88	5,222.15	5,137.34	5,742.15
Equity	6,016.73	5,925.00	5,325.13	5,092.63
Debt equity ratio	**0.88**	**0.88**	**0.96**	**1.13**

41.2 Financial risk management

The Company's activities expose it to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

(A) Market risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company.

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes can not be normally predicted with reasonable accuracy.

(1) Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company uses derivative financial instruments such as Forward Foreign Exchange Contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

As on 30 September 2017

	Financial liabilities			Financial assets			
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Net overall Exposure
USD	3,868.31	718.91	3,149.40	1,000.04	-	1,000.04	(2,149.36)
DZD	266.31	-	266.31	227.15	-	227.15	(39.16)
AED	6.70	-	6.70	13.04	-	13.04	6.34

As at 31 March, 2017 **(Rs. In Million)**

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	4,283.67	713.22	3,570.44	1,140.44	-	1,140.44	(2,430.00)
DZD	424.54	-	424.54	492.58	-	492.58	68.05
GBP	-	-	-	3.51	-	3.51	3.51
AED	0.59	-	0.59	14.80	-	14.80	14.20

As at 31 March, 2016 **(Rs. In Million)**

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	3,829.54	-	3,829.54	989.36	-	989.36	(2,840.18)
DZD	423.17	-	423.17	771.49	-	771.49	348.33
AED	3.39	-	3.39	12.83	-	12.83	9.44

As at 31 March, 2015 (Proforma) **(Rs. In Million)**

	Liabilities			Assets			Net overall Exposure
Currency	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	Gross Exposure	Exposure Hedged using derivatives	Net Exposure	
USD	5,005.94	-	5,005.94	1,268.10	-	1,268.10	(3,737.84)
DZD	266.14	-	266.14	615.68	-	615.68	349.53
EURO	0.01	-	0.01	-	-	-	(0.01)
AED	16.10		16.10	15.30	-	15.30	(0.80)

Note - Some of the derivatives reported under this column are not designated in hedging relationships but have been taken to economically hedge the foreign currency exposure.

Foreign currency sensitivity analysis:

Movement in the foreign currency impacts the revenue and cost of borrowings.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The following table details the Company's sensitivity movement in the foreign currencies:

Impact on profit or loss (increase/ decrease by 1%)

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

	As at September 30,2017	As at March 31, 2017	As at March 31, 2016	As at 31.03.2015 (Proforma)
USD Impact				
Increase	(21.49)	(24.30)	(28.40)	(37.38)
Decrease	21.49	24.30	28.40	37.38
DZD Impact				
Increase	(0.39)	0.68	3.48	3.50
Decrease	0.39	(0.68)	(3.48)	(3.50)
GBP/ EURO Impact				
Increase	-	0.04	-	(0.00)
Decrease	-	(0.04)	-	0.00
AED Impact				
Increase	0.06	0.14	0.09	(0.01)
Decrease	(0.06)	(0.14)	(0.09)	0.01

In Management’s opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the period / year.

(2) **Interest rate risk management:**

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings by the use of interest rate swap contracts.

Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Outstanding swap agreement to hedge against fluctuation from floating to fixed interest rate changes:

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

As at	No. of contracts	Notional value of contract outstanding	
		USD Notional Amount	INR Equivalent Amount
As at 30 September 2017	4	16.91	1,104.91
31st March, 2017	6	19.95	1,293.53
31st March, 2016	5	11.69	775.27
31st March, 2015 (Proforma)	5	14.75	923.21

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year.

A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/ lower, the Group's profit for the period ended 30 September 2017 would decrease/ increase by Rs.1.27 Million 31st March, 2017 Rs.8.9 Million (2015-2016: decrease/ increase by Rs.8.6 Million) (2014-2015: decrease/ increase by Rs.9.41 Million).

(3) **Foreign currency and interest rate sensitivity analysis for swap contracts:**

The Company has taken cross currency and interest rate swap (CCIRS) contracts for hedging its foreign currency and interest rate risks related to external commercial borrowings.

This CCIRS contracts are composite contracts for both the foreign currency and interest rate risks and thus the mark-to-market value is determined for both the risks together. The mark-to-market loss as at 30 September 2017 is Rs. 97.49 Million 31st March, 2017 is Rs. 40 Million (31st March 2016: Rs. Nil and 31st March, 2015: Rs. Nil).

If the CCIRS movement considered 1% higher/ lower, the Company's profit for the period ended 30 September 2017 would approximately decrease by Rs.9.7 Million and increase by Rs.9.7 Million respectively and year ended 31st March, 2017 would approximately increase by Rs.9.6 Million and decrease by Rs.9.6 Million (2015-16: decrease/ increase by Rs. Nil).

(4) **Equity price risk:**

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the Company to equity price risks. In general, these securities are not held for trading purposes.

Equity price sensitivity analysis

The fair value of equity instruments as at 30 September 2017, 31st March, 2017, 31st March, 2016 and 31st March, 2015 was Rs. 0.56 Million, Rs.0.56 Milion, Rs.0.39 Million and Rs.0.78 Million respectively.

A 10% change in prices of equity instruments held as at 30 September 2017,31st March, 2017, 31st March, 2016 and 31st March, 2015 would result in an increase/ decrease of Rs.0.05,Rs.0.06 Million, Rs.0.04 Million and Rs.0.08 Million in fair value of equity instruments respectively.

(B) **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk is managed by the Group through monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The credit terms are generally based on the terms and conditions mentioned in tender documents bidding through which contracts of revenue are being awarded to the Group. The major customers are generally from the public sector undertakings / government owned companies and private sector oil and gas companies.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. Management is of the view that these financial assets are not impaired as majority of customers are public sector units where no credit risk is perceived. Historically the amount outstanding for more than one year does not exceed 0.45% of the total receivables on the respective reporting date. Accordingly, the management does not anticipate a significant loss on account of time value of money

(C) **Liquidity risk**

Liquidity risk refers to the risk that the Group can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS ₹ in million

As a prudent liquidity risk management measure, the Group closely monitors its liquidity position for the Group's short term and long term funding and liquidity requirement.

The Group manages liquidity risk by maintaining adequate balances on hand, banking facilities from both domestic and international banks/ financial institutions, reserve borrowing facilities and continuously monitoring actual cash flow and by matching the maturity profiles of financial assets and liabilities.

Based on past performance and current expectations, the Group believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

Company has undrawn facility outstanding as on 30 September 2017- Rs.548.35 Million,31 March, 2017- Rs.108.89 Million; as on 31 March, 2016- Rs.639.97 Million, as on 31 March 2015 - Rs. 81.55 Million.

The table below summarises the maturity profile remaining contractual maturity period at the balance sheet date for its non derivative financial liabilities based on the undiscounted cash flows.

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
As at 30 September 2017				
Trade payables	886.16	-	-	886.16
Other financial liabilities	111.16	49.48	40.63	201.27
Borrowings	2,644.93	2,161.23	904.18	5,710.34
As at 31 March, 2017				
Trade payables	962.66	-	-	962.66
Other financial liabilities	1,112.75	14.67	28.85	1,156.26
Borrowings	1,454.75	2,547.14	1,045.75	5,047.65
As at 31 March, 2016				
Trade payables	934.14	-	-	934.14
Other financial liabilities	1,147.61	-	-	1,147.61
Borrowings	1,545.38	3,150.69	110.95	4,807.02
As at 31 March, 2015				
Trade payables	827.55	-	-	827.55
Other financial liabilities	1,149.96	-	-	1,149.96
Borrowings	1,717.69	3,233.13	381.66	5,332.48

The table below summarises the maturity profile of mark to market loss provided on its derivative financial liabilities based on the undiscounted contractual outflows on derivative liabilities **(Rs. In Million)**

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
As at 30 September 2017				
CCIRS	-	34.83	40.63	75.46
As at 31 March, 2017				
CCIRS	-	11.22	28.85	40.07
As at 31 March, 2016 and as at 31 March, 2015 (Proforma)				
CCIRS	-	-	-	-

41.3 Categories of Financial assets and liabilites:

	30 September 2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015 (Proforma)
Financial assets				
<u>a) Measured at amortised cost:</u>				
Cash and cash equivalents	186.73	532.68	411.26	436.56
Other bank balances	258.73	253.00	222.86	175.58
Trade receivables	929.04	953.62	965.45	1,033.59
Others	278.53	368.07	503.62	609.03
<u>b) Measured at fair value through profit and loss (FVTPL)</u>				
Investments	0.55	0.56	0.39	0.78
Financial liabilities				
<u>a) Measured at amortised cost:</u>				
Borrowings	5,710.34	5,047.65	4,807.02	5,332.48
Trade payables	886.16	962.66	934.14	827.55
other financial liabilities	103.77	1,081.38	1,147.61	1,149.96
<u>b) Measured at fair value through profit and loss (FVTPL)</u>				
Derivatives not designated in hedge accounting relationships	97.50	74.87	-	-

<u>**Note:**</u>
Investments in subsidiaries are measured at cost in accordance with Ind AS - 27 and hence excluded from the aforesaid disclosure.

41.4 Fair value measurements:
Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:
Some of the Company’s financial assets and financial liabilities are measured at fair value at the end of each reporting period.
The following table gives information about how the fair values for material financial assets and material financial liabilities have been determined (in particular, the valuation technique(s) and inputs used).

	Fair value as at				Fair Value	Valaution
	30 September 2017	31.03.2017 Rupees	31.03.2016 Rupees	31.03.2015 (Proforma)		
a) Derivative instruments, i.e. IRS and CCIRS	97.49	74.87	-	-	Level-2	Note 1
b) Investments in quoted equity shares	0.55	0.56	0.39	0.78	Level-1	Note 2

<u>**Notes:**</u>
of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company/ various counterparties. Further, in case of swap contracts, the future estimated cash flows considering forward interest rates (from observable yield curves at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company/ various counterparties.

2. Quoted bid prices in an active market.

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS **₹ in million**

42 Taxation:

Income tax recognised in statement of profit and loss	30 September 2017	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Current tax	-	**(330.35)**	**(405.72)**	**(167.30)**
Less: MAT credit entitlement	-	0.01	77.06	66.55
Deferred tax	3.17	(89.78)	(184.28)	(70.56)
Total income tax expenses recognised in the current period / year	3.17	(420.13)	(512.94)	(171.31)
Income tax expense for the year reconciled to the accounting profit:				
Profit before tax	166.48	1,133.68	794.07	500.34
Income tax rate	0%	34.61%	34.61%	33.99%
Income tax expense	-	392.34	274.81	170.06
Add: Tax expenses in respect of foreign branch not available for set off against the Indian tax liability of the Company	-	142.65	294.74	100.75
Tax Effect of:				
Income that is exempt from tax		(108.82)	(105.34)	(70.99)
Expenses allowed		(268.21)	(268.06)	(265.14)
Utilization of unabsorbed depreciation	-	-	(40.92)	-
Expenses disallowed		173.93	174.47	167.54
Others	-	0.37	0.59	0.13
Current tax provisions (A)	-	332.26	330.29	102.35
Deferred tax liability on account of PPE	(2.78)	88.69	146.45	115.61
Deferred tax liability/ (asset) on account of temporary disallowances and others	5.17	1.09	(0.29)	(7.72)
Creation of deferred tax asset on unabsorbed depreciation	0.77	-	38.13	(38.13)
Tax effect of re-measurement of defined benefit plan taken to OCI	(1.14)	(1.92)	(1.64)	(0.81)
Deferred Tax Provisions (B)	**2.02**	87.86	182.65	68.96
Income tax expense recognised in profit and loss (A+B)	**2.02**	**420.12**	**512.94**	**171.31**

The Holding Company has estimated tax loss for the AY 2018-19. Accordingly, the interim period tax expense (current and deferred tax) has been determined using the tax rate that would be applicable to estimated annual earnings (i.e. annual effective tax rate) in accordance with Ind AS 34 "Interim Financial Reporting"

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

43 Additional information as required by the General Instructions for preparation of consolidated financial statements to Schedule III of the Companies Act, 2013.

Parent: John Energy Limited (JEL)
Subsidiaries: Synergy Drilling Fluids Private Limited (SDFPL)
John Drilling Services Private Limited (JDSPL)
John Energy International DMCC (JEID)
Associate: John Energy Well Services Middle East WLL (JEWSME)

As at and for the period ended 30 September 2017

Name of the entity in the Group	Net Assets#		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	%*	Amount	%*	Amount	%*	Amount	%*	Amount
Parent:								
John Energy Limited	95.07%	5,724.57	134.53%	228.30	115.71%	(2.16)	134.74%	226.13
Subsidiaries :								
Indian								
Synergy Drilling Fluids Private	0.32%	19.67	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
John Drilling Services Private	0.01%	0.31	0.00%	0.00	0.00%	-	0.00%	0.00
Foreign								
John Energy International DMCC	4.54%	275.09	-34.52%	(58.58)	-15.71%	0.29	-34.73%	(58.29)
Associate:								
Foreign								
John Energy Well Services Middle East WLL^	0.06%	3.48	0.00%	-	0.00%	-	0.00%	-
Total	**100%**	**6,023.12**	**100%**	**169.70**	**100%**	**(1.87)**	**100%**	**167.83**

As at and for the year ended March 31, 2017

Name of the entity in the Group	Net Assets#		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	%*	Amount	%*	Amount	%*	Amount	%*	Amount
Parent:								
John Energy Limited	86.74%	5,355.09	56.27%	404.62	-50.50%	(12.06)	56.57%	392.35
Subsidiaries :								
Indian								
Synergy Drilling Fluids Private	0.31%	19.19	0.00%	(0.02)	0.00%	-	0.00%	0.19
John Drilling Services Private	0.00%	(0.19)	0.00%	0.00	0.00%	-	0.00%	0.04
Foreign								
John Energy International DMCC	12.89%	795.74	43.72%	314.36	-49.50%	(11.81)	43.52%	302.54
Associate:								
Foreign								
John Energy Well Services Middle East WLL^	0.06%	3.55	0.00%	-	0.00%	-	0.00%	-
Total	**100%**	**6,173.38**	**100%**	**718.96**	**-100%**	**(23.87)**	**100%**	**695.12**

₹ in million

As at and for the year ended March 31, 2016

Name of the entity in the Group	Net Assets#		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	%*	Amount	%*	Amount	%*	Amount	%*	Amount
Parent:								
John Energy Limited	90.60%	5,044.41	4.94%	15.73	-28.96%	(3.09)	3.93%	12.95
Subsidiaries :								
Indian								
Synergy Drilling Fluids Private	0.34%	19.17	0.00%	-	0.00%	-	0.00%	-
John Drilling Services Private	0.00%	(0.19)	0.00%	0.00	0.00%	-	0.00%	-
Foreign								
John Energy International DMCC	9.00%	501.13	95.06%	303.00	128.96%	13.76	96.07%	316.45
Associate:								
Foreign								
John Energy Well Services Middle East WLL^	0.06%	3.55	0.00%	-	0.00%	-	0.00%	-
Total	**100%**	**5,568.07**	**100%**	**318.73**	**100%**	**10.67**	**100%**	**329.40**

As at and for the year ended March 31, 2015

Name of the entity in the Group	Net Assets#		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	%*	Amount	%*	Amount	%*	Amount	%*	Amount
Parent:								
John Energy Limited	96.21%	5,106.18	53.55%	203.02	7.78%	(2.33)	57.47%	200.70
Subsidiaries :								
Indian								
Synergy Drilling Fluids Private	0.37%	19.67	0.00%	(0.02)	0.00%	-	-0.01%	(0.02)
John Drilling Services Private	0.01%	0.31	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Foreign								
John Energy International DMCC	3.41%	181.21	46.46%	176.14	92.22%	(27.60)	42.53%	148.53
Associate:								
Foreign								
John Energy Well Services Middle East WLL^	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100%**	**5,307.37**	**100%**	**379.13**	**100%**	**(29.93)**	**100%**	**349.20**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL STATEMENTS

₹ in million

#Net assets means total assets less total liabilities
*As percentage of consolidated respective totals
^Investment in associate is accounted as per equity method

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE VI - CONSOLIDATED STATEMENT OF ADJUSTMENTS AND NOTES TO THE FINANCIAL **₹ in million**

	As at September 30, 2017 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Ind AS)	As at March 31, 2015 (Proforma Ind AS)
Net Profit after taxation (as per audited accounts)	**168.35**	**706.69**	**348.71**	**361.38**
Adjustments on account of:				
Impact of change in rate of depreciation in repect of plant and equipment (rigs)	-			
(Refer note a)	(0.09)	(16.63)	(42.28)	(17.36)
Impact of (loss) on sale/ discard of PPE consequent to change in rate of depriciation (refer note b)	(9.19)	(1.07)	(1.62)	3.63
Sub-total	**(9.28)**	**(17.70)**	**(43.90)**	**(13.73)**
Tax impact				
Deferred tax asset (refer note c)	2.38	0.69	(13.01)	(38.08)
Tax on restated Adjustments	2.38	**0.69**	**(13.01)**	**(38.08)**
Adjustments relating to excess provision for taxes (Including MAT) (Refer Note b)	-	-	9.40	(3.20)
Restated Comprehensive income for the year. TO	**161.45**	**689.68**	**301.20**	**306.37**

Notes:

a) In financial year March 31, 2012, the Company reassessed the useful lives of rigs consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. Accordingly, the written down value of the rigs as at 1st April, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. In the compilation of the restated financial statements, the life of 30 years has been retrospectively applied since the inception of the Company. The cumulative impact of this change as at April 1, 2012 resulting into accretion to the figure of reserves and surplus as on that date is Rs.229.79 Million (pre-tax) with a consequential increase in depreciation charge for the 5 years being restated.

b) Adjustment represents impact on (loss) on sale/ discard of PPE consequent to change in rate of depreciation for reason as stated in note (a) above

c) Deferred tax represent charge on account of:

i) The Group capitalized exchange rate differences arising on long-term borrowings on acquisition of various items of Plant and Machineries, as permitted under Paragraph 46A of the erstwhile Accounting Standard 11 (AS 11) "The Effects of Changes in Foreign Exchange Rates". Effective April 1, 2016, the Group transitioned to Indian Accounting Standards ('Ind AS') with transition date as at April 1, 2015. Ind AS 101 – "First Time Adoption of Indian Accounting Standard" permits the Group to continue capitalizing the exchange differences as required under the aforesaid paragraph of AS 11. The Income Tax Law permits such capitalization only in respect of realised exchange differences. The Group had therefore treated adjustments to carrying value of fixed assets attributable to such exchange rate differences as a permanent difference and did not create deferred tax liability thereon. Subsequent to March 31, 2017, the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India (ICAI) issued ITFG-8, which clarified that the Group must recognize deferred tax liability on the transition date i.e. April 1, 2015 on exchange rate differences capitalized under Paragraph 46A of erstwhile AS 11. The Group in its audited financial statements for the year ended March 31, 2017 has not given impact of the ITFG-8 and has now accounted the same in these restated financial statements with a corresponding adjustment in the opening reserves as at April 1, 2015 for an amount of Rs. 214.74 million and for Rs. 28.20 million and Rs. 5.44 million in FYs 2015-16 and 2016-17 respectively in accordance with Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors".

ii) Deferred tax impact consequent to change in rate of depreciation for reason as stated in note (a) above.

d) These adjustments have been reflected in the year(s) to which they pertain. Where these relate to years prior to year ended on March 31, 2013, the effect has been given in the balance of accumulated reserves as at April 1, 2012.

2) Regroupings:

Figures have been regrouped to ensure consistency of presentation based on the latest audited financials statements. The following significant regroupings have been made in the statement of Profit and Loss, as restated:

JOHN ENERGY LIMITED

ANNEXURE VI - CONSOLIDATED STATEMENT OF ADJUSTMENTS AND NOTES TO THE FINANCIAL **₹ in million**

a) For the years ended March 31, 2017, 2016 and 2015, exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs have been regrouped / reclassified from "Other expenses" to "Finance costs" in the Statement of Profit and Loss, as restated.

Effect of the above adjustments are given below.

Particulars	For the years ended			
	For six months period ended 30 September	**For the year ended 31 March 2017 (Ind AS)**	**For the year ended 31 March 2016 (Ind AS)**	**For the year ended 31 March 2015 (Proforma Ind AS)**
a) Finance costs	-	(12.23)	29.12	27.18
b) Other expenses	-	-	(29.12)	(27.18)
c) Other income	-	(12.23)		

3) Auditor's Comments in Companies (Auditor's Report) Order - Non - Adjusting Items :-

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the Section 143 of the Companies Act, 2013 of India for Financial Year 2014-15:

For March 31, 2015:

i) According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:

(a) The holding company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.

(b) There are no dues of Income-tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute with the relevant authorities. Details of dues towards Service Tax that have not been deposited as at March 31, 2015 on account of disputes are stated below:

Statue	Nature of dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rupees)
Service Tax Rules	Service tax	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	10.09.04 to 31.03.07	25,087,125

(ii) In our opinion and according to the information and explanations given to us, the holding company has generally been regular in repayment of dues to banks. The holding company has no dues to financial institutions and has not issued any debentures.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Jeyur Shah

Partner

Membership No: 045754

Place: Ahmedabad

Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas

Chairman and Managing Director

(DIN No. 00432810)

Dilipkumar Vyas

Whole-time Director

(DIN No. 00432971)

Rakesh Ghuwalewala

Company Secretary

Membership No.: A15520

Place: Ahmedabad

Date: 31 January 2018

Jayesh Asher

Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE VII - RESTATED CONSOLIDATED STATEMENT OF DIVIDEND PAID **₹ in million**

Note No.		For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
	Proposed dividend on Preference Shares*	0.01	0.01	0.05	0.05
	Proposed dividend on Equity Shares*	57.90	-	74.57	57.03
	Corporate Dividend Tax	11.79	-	15.19	11.62
	Total	69.70	**0.01**	**89.81**	**68.70**
	(a) Rate of Dividend on Equity Shares(%):				
	On Equity Shares (Refer note below)	32%	**0%**	**43%**	**33%**
	Dividend per Equity Share- Rupees	3.20	-	4.25	3.25
	(b) Rate of Dividend on Preference Shares:				
	Optionally Convertible Cumulative Redeemable Preference Shares (Series -V)	0.05%	0.05%	0.05%	0.05%
	* on pro-rata basis				

Note:
In respect of the year ended 31st March, 2017, members have approve dividend of Rs. 3.20 per share be paid on fully paid equity shares.

As per our report of even date attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE VIII - RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION **₹ in million**

	Pre-Offer for the year ended September 30, 2017	Adjusted for Post Offer	Pre-Offer for the year ended March 31, 2017	Adjusted for Post Offer
Debt				
-Long term borrowings	3,065.41		3,592.89	[*]
-Current maturities of long-term borrowings	1,101.12		960.18	[*]
-Short term borrowings	1,543.81		1,454.75	[*]
Total Borrowings	**5,710.34**		**6,007.83**	[*]
Shareholders' funds				
- Share Capital	183.67		183.67	[*]
- Other Equity	5,833.06		5,741.33	[*]
Total Shareholder's funds	**6,016.73**		**5,925.00**	[*]
Debt/Equity Ratio	**0.95**		**1.01**	[*]

[*] Post Issue Capitalization will be determined after finalization of issue price.

Notes:

1) The above have been computed on the basis of restated statement of accounts.

2) For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current maturities of long term debt.

As per our report attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN : 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN : 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED

ANNEXURE IX - RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS **₹ in million**

	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Earning Per Share (EPS):				
Restated Net profit for the year after tax	163.31	713.56	290.53	336.30
Less: Dividend on cumulative redeemable preference shares including tax thereon	-	-	0.05	0.05
Restated net profit for the period / year attributable to equity shareholders for basic EPS	163.31	713.56	290.48	336.25
Add: Dividend on cumulative convertible preference shares including tax thereon	-	-	0.05	0.05
Restated net profit for the period / year attributable to equity shareholders for diluted EPS	163.31	713.56	290.54	336.30
Weighted avg. number of equity shares outstanding during the year (for calculating basic EPS)	18,367,454	18,083,265	17,546,487	17,546,487
Add, Potential equity shares that could arise on conversion of preference shares	-	-	820,967	820,967
Weighted average number of equity shares outstanding during the period / year (for calculating diluted EPS)	18,367,454	18,083,265	18,367,454	18,367,454
Nominal value per share	10.00	10.00	10.00	10.00
Basic Earnings per Share - In Rs.	8.89	39.46	16.55	19.16
Diluted Earnings per Share-In Rs.	8.89	39.46	15.82	18.31
Return on Net Worth %	2.71%	12.04%	5.55%	6.72%
Net asset value per equity share (₹) @	327.58	322.58	298.36	285.11
@ Working of Net Asset Value per Equity Share:				
Net worth (A)	6,016.73	5,925.00	5,325.14	5,092.64
Less: Preference Share Capital (B)	-	-	90.00	90.00
Net Worth(C= A-B)	6,016.73	5,925.00	5,235.14	5,002.64
No. of Equity Shares Outstanding at the end of the year(D)	18,367,454	18,367,454	17,546,487	17,546,487
Net asset value per equity share (₹)	327.58	322.58	298.36	285.11
Share Capital	183.67	183.67	265.47	265.47
Reserves and Surplus, as restated	5,833.06	5,741.33	5,059.67	4,827.17
Net worth	6,016.73	5,925.00	5,325.14	5,092.64

1. The ratios on the basis of Restated Consolidated financial information have been computed as below:

Basic Earnings per share (₹) = $\dfrac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

Diluted Earnings per share (₹) = $\dfrac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$

Return on net worth (%) = $\dfrac{\text{Net profit after tax as restated (excluding extraordinary Items)}}{\text{Net worth as restated (excluding Preference Share Capital) at the end of the year}}$

Net Asset Value (NAV) per equity share (₹) = $\dfrac{\text{Net worth as restated (excluding Preference Share Capital) at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$

2. Earnings per share calculations are done in accordance with Indian Accounting Standard 33 "Earnings Per Share" issued by the Institute of Chartered Accountants of India.

3. Group does not have any extraordinary items and revaluation reserve.

As per our report attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Direc
(DIN : 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN : 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE X - RESTATED CONSOLIDATED STATEMENT OF TAX SHELTER **₹ in million**

Income tax recognised in Statement of Profit and Loss	For six months period ended 30 September 2017 (Ind AS)	For the year ended 31 March 2017 (Ind AS)	For the year ended 31 March 2016 (Ind AS)	For the year ended 31 March 2015 (Proforma Ind AS)
Current tax (Including foreign tax)	-	**(330.35)**	**(405.72)**	**(167.30)**
Less: MAT credit entitlement	-	0.01	77.06	66.55
Deferred tax	3.17	(89.78)	(184.28)	(70.56)
Total income tax expenses recognised in the current period / year	3.17	(420.12)	(512.94)	(171.31)
Income tax expense for the year reconciled to the accounting profit:				
Profit before tax	166.48	1,133.68	794.07	500.34
Income tax rate	-	34.608%	34.608%	33.990%
Income tax expense	-	392.34	274.81	170.06
Add: Tax expenses in respect of foreign branch not available for set off against				
the Indian tax liability of the Company	-	142.65	294.74	100.75
Tax Effect of:				
Income that is exempt from tax		(108.82)	(105.34)	(70.99)
Expenses allowed		(268.21)	(268.06)	(265.14)
Utilization of unabsorbed depreciation	-	-	(40.92)	-
Expenses disallowed		173.93	174.47	167.54
Others	-	0.37	0.59	0.13
Current Tax Provisions (A)	**-**	**332.26**	**330.29**	**102.35**
Deferred tax liability on account of PPE	(2.78)	88.69	146.45	115.61
Deferred tax liability/ (asset) on account of temporary disallowances and others	5.17	1.09	(0.29)	(7.72)
Reversal of deferred tax asset on utilization of unabsorbed depreciation	0.77	-	38.13	(38.13)
Tax effect of remeasurement of defind benefit plan taken to OCI	(1.14)	(1.92)	(1.64)	(0.81)
Deferred Tax Provisions (B)	**2.02**	**87.86**	**182.65**	**68.96**
Income tax expense recognised in profit and loss (A+B)	**2.02**	**420.12**	**512.94**	**171.31**

As per our report attached
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN : 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN : 00432971)

Rakesh Ghuwalewala
Company Secretary
Membership No.: A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-I RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

₹ in million

	Note No. of Annexure V	As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
I- EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	**3**	265.46	375.49
(b) Reserves and surplus	**4**	4,789.24	4,312.40
		5,054.70	**4,687.89**
(2) Non-current liabilities			
(a) Long-term borrowings	**5**	2,814.49	2,697.53
(b) Deferred tax liabilities (Net)	**6**	908.67	788.59
(c) Long-term provisions	**7**	1.42	0.93
		3,724.58	**3,487.05**
(3) Current liabilities			
(a) Short-term borrowings	**8**	1,328.10	1,173.32
(b) Trade payable	**9**	736.23	809.73
(c) Other current liabilities	**10**	1,211.67	2,277.64
(d) Short-term provisions	**11**	223.08	130.47
		3,499.08	**4,391.16**
TOTAL		**12,278.36**	**12,566.10**
II- ASSETS			
(1) Non-current assets			
(a) Fixed assets	**12**		
(i) Tangible assets		8,720.88	6,999.50
(ii) Intangible assets		10.81	21.00
(iii) Capital work-in-progress		124.73	1,357.30
(b) Non-current investments	**13**	0.18	0.18
(c) Long-term loans and advances	**14**	584.69	488.86
		9,441.29	**8,866.84**
(2) Current assets			
(a) Inventories	**15**	678.58	589.90
(b) Trade receivables	**16**	1,192.23	1,485.22
(c) Cash and bank balances	**17**	491.44	326.08
(d) Short-term loans and advances	**18**	87.15	1,292.18
(e) Other current assets	**19**	387.67	5.88
		2,837.07	**3,699.26**
TOTAL		**12,278.36**	**12,566.10**

Note:

The above statement should be read with Company Overview and Significant Accounting Policies appearing in Annexure - V 1and 2, Adjustments for Restatement of Consolidated Statement of Profit and Loss in Annexure VI, Restated Consolidated Statement of Dividend Paid in Annexure VII, Restated Consolidated Statement of Capitalisation in Annexure - VIII, Restated Consolidated Statement of Accounting Ratios in Annexure - IX, and Restated Statement of Tax Shelter in Annexure - X

Refer accompanying notes 1 - 35 forming part of the restated Consolidated Financial Information

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-II RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in million

	Note No. of Annexure V	For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
INCOME			
(I) Revenue from operations	**20**	5,203.93	4,317.88
(II) Other income	**21**	14.67	94.94
(III) TOTAL INCOME (I+II)		**5,218.60**	**4,412.82**
(IV) EXPENSES			
Changes in inventories of finished goods	**22**	-	0.26
Operating expenses for drilling and workover rigs	**23**	2,627.15	2,231.65
Manufacturing expenses	**24**	5.88	6.88
Employee benefits expenses	**25**	590.71	492.60
Finance costs	**26**	447.72	402.11
Depreciation and amortization expense	**12**	369.83	282.27
Other expenses	**27**	371.55	272.22
TOTAL EXPENSES (IV)		**4,412.84**	**3,687.99**
(V) PROFIT BEFORE TAX (III-IV)		**805.76**	**724.83**
(VI) TAX EXPENSE:			
Current tax		175.68	154.44
Minimum alternate tax credit entitlement		(55.70)	(104.00)
Deferred tax		120.08	227.66
Short provision for taxes		2.82	18.93
TOTAL		**242.88**	**297.03**
(VII) NET PROFIT AFTER TAX AS RESTATED (V-VI)		**562.88**	**427.80**
Earning Per Equity Share (Face Value of Rs 10/- each)	**29**		
Basic EPS(RS.)		32.05	24.08
Diluted EPS(RS.)		30.44	22.84

Note:

The above statement should be read with Company Overview and Significant Accounting Policies appearing in Annexure - V 1and 2, Adjustments for Restatement of Consolidated Statement of Profit and Loss in Annexure VI, Restated Consolidated Statement of Dividend Paid in Annexure VII, Restated Consolidated Statement of Capitalisation in Annexure - VIII, Restated Consolidated Statement of Accounting Ratios in Annexure - IX, and Restated Statement of Tax Shelter in Annexure - X

Refer accompanying notes 1 - 35 forming part of the restated Consolidated Financial Information

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date:

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED

CIN: U29224GJ1987PLC010044

ANNEXURE-III RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
A.	**Cash flows from operating activities**		
	Profit before tax	805.76	724.83
	Adjustments for non-cash and non-operating items:		
	Add: Depreciation and amortization expense	369.84	282.27
	Loss on sale/ disposal of fixed assets (net)	9.20	3.00
	Finance costs	447.72	402.11
	Interest income	(12.14)	(8.02)
	Dividend income on non-current investments (Long term)	(0.06)	(0.03)
	(Profit) on Sale of Investments	-	(0.65)
	Bad debts	19.72	0.20
	Provision for doubtful debts	-	7.03
	Unrealised foreign exchange loss (net)	17.93	50.32
	Operating profit before working capital changes	**1,657.97**	**1,461.06**
	(Increase) in trade receivables	(122.66)	(151.81)
	(Increase) / Decrease in inventories	(88.66)	39.80
	Decrease/ (Increase) in other bank balances	32.36	(99.76)
	Decrease/ (Increase) in loans and advances and other current assets	1,170.78	(95.28)
	(Decrease) in trade and other payables	(0.24)	(156.29)
		991.58	**(463.34)**
	Cash generated from Operations	2,649.55	997.72
	Direct tax (paid) (net)	(178.61)	(70.64)
	Net cash generated from operating activities (A)	**2,470.94**	**927.08**
B.	**Cash flows from investing activities**		
	Purchase of fixed assets	(2,045.37)	(936.32)
	Sale of fixed assets	11.89	7.57
	Sale of Investments	-	3.65
	Interest income	13.21	5.44
	Dividend income on non-current investments (Long term)	0.06	0.03
	Net cash (used in) investing activities (B)	**(2,020.21)**	**(919.63)**
C.	**Cash flows from financing activities**		
	(Redemption (including premium) of preference share capital)	(110.39)	-
	Proceeds from long-term borrowings	649.45	849.47
	(Repayment) of long-term borrowings	(510.47)	(648.79)
	Proceeds from other borrowings (net)	155.05	96.19
	Dividend paid on preference shares (including corporate dividend tax)	(7.78)	(10.68)
	Finance costs	(428.88)	(377.16)
	Net cash (used in) financing activities (C)	**(253.02)**	**(90.97)**
	Net increase/ (decrease) in cash and cash equivalents (A+B +C)	**197.73**	**(83.52)**
	Cash and cash equivalents at the beginning of the year	153.10	236.62
	Cash and cash equivalents at the end of the year	**350.83**	**153.10**

Note:

The above statement should be read with Company Overview and Significant Accounting Policies appearing in Annexure - V 1and 2, Adjustments for Restatement of Consolidated Statement of Profit and Loss in Annexure VI, Restated Consolidated Statement of Dividend Paid in Annexure VII, Restated Consolidated Statement of Capitalisation in Annexure - VIII, Restated Consolidated Statement of Accounting Ratios in Annexure - IX, and Restated Statement of Tax Shelter in Annexure - X

Refer accompanying notes 1 - 35 forming part of the restated Consolidated Financial Information

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

Annexure IV **Intentionally Left Blank**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

Note No. 1 **Company overview**

John Energy Limited ('the Company") is a company incorporated and domiciled in India and governed by the CompaniesAct, 2013 ("Act"). The Company's registered office is situated at Plot No.220, GIDC Estate, Mehsana, Gujarat, India. TheCompany is a leading Indian company catering to the Exploration & Production sector of the Oil and Gas Industry.

The Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31, 2014 and March31, 2013, the related Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Statement of Cash Flows for the years ended March 31, 2014 and March 31, 2013 (hereinafter collectivelyreferred to as "Restated Consolidated Financial Information") have been prepared specifically for inclusion in the OfferingDocument to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection withproposed Initial Public Offering through Offer for Sale (IPO) of its equity shares.

These Restated Consolidated Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 on Prospectus and Allotment of Securities andExchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(" the SEBI Regulations")as amended from time to time.

Note No. 2 **Significant Accounting Policies**

Significant Accounting Policies consistently adopted for all the years presented in the Restated Consolidated Financial Information made are set out below:

(a) Basis of accounting and preparation :

The Restated Consolidated Financial Information of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section133 of the Companies Act, 2013, read with relevant provisions of the Companies, 2013 / the Companies 1956 as applicable. The Accounting Policies adopted in the preparation of the Restated Consolidated Financial Information are consistent withthose followed in the previous years.

(b) Principles of Consolidation:

The Restated Consolidated Financial Information include the financial statements of the Company and all its subsidiaries (collectively referred to as ‘the Group’), which are more than 50% owned or controlled and have been prepared in accordance with the consolidation procedures laid down in Accounting Standard 21- ‘Consolidated Financial Statements’.

The Restated Consolidated Financial Information have been prepared on the following basis:

i. The financial statements of the Company and its subsidiary companies are combined on a line-by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses.

ii. The Restated Consolidated Financial Information are prepared using uniform accounting policies to the extent practicable across the Group. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by Group.

iii. Details of subsidiaries included in the Restated Consolidated Financial Information:

Name of Subsidiary	**Principal Activity**	**Country of Incorporation**	**Percentage of Ownership Interest**
Synergy Drilling Fluids Private Limited	Drilling & Completion Fluid activities in the field of Oil & Gas industry sector	India	100%

John Drilling Services Private Limited	Oil and gas exploration	India	100%
John Energy International DMCC (with effect from 01.04.13)	Oil and gas exploration	UAE	100%

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

Use of Estimates :

The preparation of the Restated Consolidated Financial Information in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Restated Consolidated Financial Information are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of business, the Group has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

John Energy Limited
Notes to the Restated consolidated financial information

Fixed Assets :

Fixed Assets are carried at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost of fixed assets comprise of purchase price, duties, levies and directly attributable costs of bringing the assets to its working condition for intended use.

Depreciation :

Depreciation on fixed assets is provided on a straight-line basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation is provided at 100% on items of fixed assets costing less than Rs.5,000 in the year of purchase. Cost of leasehold land and leasehold improvements is amortized over the period of lease.

Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Computer software and Goodwill on amalgamation are amortized over a period of five years.

Impairment Loss :

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Investments :

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. Provision is made to recognize a decline, other than temporary, in the carrying amount of long term investments.

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

Inventories :

Items of inventories are valued at cost or net realizable value, whichever is lower, Cost is determined on First In First Out basis.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

Cash and cash equivalents (for purposes of Cash Flow Statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an - original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Borrowing Costs :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets, being assets (rigs) which take six to eight months in becoming ready for intended use, are capitalized as part of the cost of such assets. All other borrowing costs are charged to revenue.

Revenue Recognition :

goods is recognised upon delivery in accordance with the terms of the individual contracts and on transfer of significant risks and rewards in respect of ownership to the buyer. Income from oil drilling and exploration is recognized when services are rendered as per the terms of the contractual arrangements.

Operating lease income is recognized as per the terms of the lease contract. Interest income is recognized on a time proportion basis, taking into consideration the amount outstanding and the applicable rate. Dividend income is recognized when the Company's right to receive dividend is established.

Foreign Currency Transactions :

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization/ payment of foreign exchange are accounted for in the relevant year as income or expense except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.

John Energy Limited
Notes to the Restated consolidated financial information

In case of forward exchange contracts or other financial instruments that are in substance forward exchange contracts, other than for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gains / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognized as income or expense.

Employee Benefits :

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan :

Provident Fund:

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute/ Rules.

Defined Benefit Plan :

Gratuity:

The Company has taken a group gratuity policy from SBI Life Insurance Company Limited and Life Insurance Corporation of India. Provision is made based upon the actuarial valuation done at the end of every financial year using "Projected Unit Credit Method". Major drivers in actuarial assumptions, typically, are years of services and employees compensation. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Other Long Term Employee Benefits:

Compensated absences:

Liability is determined on the basis of actuarial valuation made at the year end.

Taxes on Income :

Tax expense comprises both current and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income-tax payable/ recoverable in respect of the taxable income/ loss for the reporting period. Deferred tax represents the tax effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustments to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

Provisions and contingencies:

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

A) Details of Authorised , Issued, Subscribed and Paid up Shares ***₹ in million***

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 3	**Share Capital**		
	Authorised:		
	19,400,000 Equity Shares of Rs.10/- each	194.00	194.00
	1,100,600 6% Cumulative Redeemable Preference Shares of Rs.100/- each	110.06	110.06
	1,50,000 Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each	1.50	1.50
	9,00,003 Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each	90.00	90.00
	TOTAL	**395.56**	**395.56**
	Issued, Subscribed and Fully Paid Up:		
	17,546,487 (Previous year 17,443,027) Equity Shares of Rs.10/- each	175.46	174.43
	900,003 (Previous year 900,003) 0.05% Optionally Convertible Cumulative Redeemable Preference Shares- Series- V of Rs.100/- each #	90.00	90.00
	Nil (Previous year 500,000) 6% Cumulative Redeemable Preference Shares of Rs.100/- each (Series 2009) *	-	50.00
	Nil (Previous year 600,600) 6% Cumulative Redeemable Preference Shares of Rs.100/- each (Series 2012) **	-	60.06
	Nil (Previous year 25,000) 0.01% Optionally Convertible Cumulative Redeemable Preference Shares- Series - I of Rs.10/- each #	-	0.25
	Nil (Previous year 75,000) 0.01% Optionally Convertible Cumulative Redeemable Preference Shares- Series- II of Rs.10/- each #	-	0.75
	TOTAL	**265.46**	**375.49**

* Redeemable at par or at a premium, as may be decided by the Board of Directors, at anytime not earlier than 3 years and not later than 10 years from the date of their allotment i.e.24th June, 2009.

** Issued upon amalgamation of the erstwhile John Engineering Private Limited without payment being received in cash. Redeemable after expiry of one year and before completion of two years from the date of their allotment i.e. 5th January, 2012

\# Issued in terms of share subscription agreement and are optionally convertible as per the terms, defined under the share subscription agreement.

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

B) Reconcialition of number of Ordinary (Equity) Shares and amount outstanding

Reconciliation of the number of shares	As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
	No. of Shares	No. of Shares
Equity shares		
At the beginning of the year	17,443,027	17,443,027
Issued during the year	103,460	-
At the end of the year	17,546,487	17,443,027
6% Cumulative Redeemable Preference Shares (CRPS) - (Series 2009)		
At the beginning of the year	500,000	500,000
Reedemed during the year	500,000	-
At the end of the year	-	500,000
6% Cumulative Redeemable Preference Shares (CRPS) - (Series 2012)		
At the beginning of the year	600,600	600,600
Reedemed during the year	600,600	-
At the end of the year	-	600,600
0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)- Series - I		
At the beginning of the year	25,000	25,000
Converted during the year	4,272	-
Reedemed during the year	20,728	-
At the end of the year	-	25,000
0.01% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)- Series - II		
At the beginning of the year	75,000	75,000
Converted during the year	75,000	-
At the end of the year	-	75,000
0.05% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)- Series - V		
At the beginning of the year	900,003	900,003
At the end of the year	900,003	900,003

Each holder of the equity shares is entitled to one vote per share and in the event of liquidation of the Company to residual assets after settling all the known liabilities on the date of liquidation. The Company declares and pay dividend in Indian Rupees. The finaldividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.The dividend proposed for the year is Rs.4 per share [Previous year Rs.Nil]

Preference shareholders are entitled to receive dividend at the specified rate. If no dividend is declared, the entitlement is cumulated. Preference shareholders are not entitled to vote. Upon conversion of all or any portion of the OCCRPS to equity shares, the resultantequity shares shall rank pari-passu with the equity shares existing on date of conversion.

	Details of shareholding in excess of 5% :	As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
a)	**Names of the equity shareholders**	**Number of shares and % of holding**	**Number of shares and % of holding**
	Maheshkumar N. Vyas	3,848,485	3,848,485
		21.93%	22.06%
	Dilipkumar N. Vyas	1,180,355	1,180,355
		6.73%	6.77%
	Chiragkumar M. Vyas	941,960	941,960
		5.37%	5.40%
	John Oil And Gas Limited	2,283,940	2,283,940
		13.02%	13.09%
	Rakesh Radheshyam Jhunjhunwala	3,345,169	3,345,169
		19.06%	19.18%
	India Rig Company	2,859,867	2,859,867
		16.30%	16.40%

b)	**Name of the CRPS shareholder (Series 2009)**	**Number of shares and % of holding**	**Number of shares and % of holding**
	John Oil And Gas Limited	-	500,000
		0.00%	100.00%

c)	**Names of the CRPS shareholders (Series 2012)**	**Number of shares and % of holding**	**Number of shares and % of holding**
	Maheshkumar N. Vyas		168,168
		-	28.00%
	Natvarlal S. Vyas		198,198
		-	33.00%
	Bhartiben G. Panchal		192,192
		-	32.00%

d)	**Name of the OCCRPS- Series- I shareholder**	**Number of shares and % of holding**	**Number of shares and % of holding**
	IL&FS Financial Services Limited	-	25,000
		0.00%	100.00%

e)	**Name of the OCCRPS- Series- II shareholder**	**Number of shares and % of holding**	**Number of shares and % of holding**
	IL&FS Financial Services Limited	-	75,000
		0.00%	100.00%

b)	**Name of the OCCRPS- Series- V shareholder**	**Number of shares and % of holding**	**Number of shares and % of holding**
	ICICI Bank Limited	900,003 100.00%	900,003 100.00%

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 4	**RESERVES AND SURPLUS**		
	Securities Premium Reserve		
	As per last balance sheet	2,618.82	2,618.82
	Redemption premium on OCCRPS	0.24	-
		2,618.58	2,618.82
	Capital Redemption Reserve		
	As per last balance sheet	-	-
	Transfer from balance in Statement of Profit and Loss on redemption of shares	110.27	-
		110.27	-
	General Reserve		
	As per last balance sheet	7.25	7.25
	Add: Transfer from balance in Statement of Profit and Loss	58.17	
		65.42	7.25
	Foreign Currecny Translation Reserve	(0.46)	-
	Balance in the Statement of Profit and Loss		
	As per last balance sheet	1,686.33	1,266.31
	Profit for the year	562.88	427.80
	Transfer to General reserve	(58.17)	-
	Transfer to capital redemption reserve	(110.27)	-
	Proposed dividend on preference shares	(3.16)	(6.65)
	Proposed dividend on Equity shares	(69.78)	-
	Corporate dividend tax	(12.40)	(1.13)
		1,995.43	1,686.33
	TOTAL	**4,789.24**	**4,312.40**

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 5	**LONG TERM BORROWINGS**		
	(Secured)		
	Term Loans		
	From banks [Refer notes 5.1 and 5.4]	2,799.82	2,654.62
	From others [Refer notes 5.2 and 5.4]	3.89	37.10
		2,803.71	2,691.72
	Other loans and advances		
	Vehicle loans from banks [Refer notes 5.3 and 5.4]	10.78	5.81
	TOTAL	**2,814.49**	**2,697.53**

5.1 Term loans from banks including current maturities thereof [Refer note 9] are secured by hypothecation of movable fixed assets of the Company including machinery spares, tools and accessories, escrow accounts for certain rigs and personal guarantees of certain directors. Certain term loans are further secured by current assets, mortgage of land and building, residential properties of the directors,assignment of key man insurance policies, land and building and Corporate Gurantee of John Oil and Gas Limited, company under the same management.

5.2 Terms loans from others including current maturities thereof [Refer note 10] are secured by hypothecation of the equipment purchased there against.

5.3 Vehicle loans from banks including current maturities thereof [Refer note 10] are secured by hypothecation of the vehicles financed.

5.4 Rate of interest ranges from 2% to 15% p.a and Maturity profile of long term borrowings is set out below:

Term loans and other loans and advances		
1-2 years	828.21	684.42
2-3 years	617.83	683.48
beyond 3 years	1,368.45	1,329.63

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 6	**DEFERRED TAX LIABILITIES (NET)**		
	Differences between tax and books written down values of fixed assets	(921.15)	(804.51)
	Unabsorbed depreciation/ business loss	-	0.07
	Provision for doubtful debts/ advances	-	8.32
	Disallowance u/s 43B of the Income-tax Act, 1961, etc.	12.48	7.53
	DEFERRED TAX LIABILITIES (NET)	(908.67)	(788.59)

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 7	**LONG TERM PROVISIONS**		
	For employee benefits:		
	-Compensated absences	1.42	0.93
	TOTAL	**1.42**	**0.93**

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 8	**SHORT TERM BORROWINGS**		
	SECURED		
	Loans repayable on demand		
	Working capital loans from banks [Refer note 8.1 and 8.2]	1,096.00	1,076.31
	UNSECURED		
	Other loans and advances		
	From directors [Refer note 8.2]	141.41	69.01
	From others [Refer note 8.2]	90.69	28.00
	TOTAL	1,328.10	1,173.32

8.1 Working capital loan repayable on demand are secured by first pari passu charge change on all movable fixed assets of the company and personal guarantee of certain directors of certain directors. Certain working capital loans are also secured by mortgage of land, building, residential properties of the directors, assignment of key insurance policies, land and building and corporate guarantee of John Oil and Gas Limited, company under the same management.

8.2 Rate of interest ranges from 10% to 15% p.a

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 9	**TRADE PAYABLES**		
	Trade payables [Refer note 9.1]	736.23	809.73
	TOTAL	**736.23**	**809.73**

9.1 There are no dues to Micro, Small and Medium Enterprises, based on the information avaliable with the Company, and therefore disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not given.

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No.10	**OTHER CURRENT LIABILITIES**		
	Creditors for capital goods	362.70	1,524.30
	Current maturities of long-term borrowings [Refer note 5]	740.06	615.42
	Interest accrued but not due on borrowings	16.29	23.00
	Statutory dues [Refer note 10.1]	71.81	109.22
	For employee benefits- Gratuity [Refer note 32]	20.81	5.70
	TOTAL	**1,211.67**	**2,277.64**

10.1 Statutory dues includes payables in respect of service tax, TDS and others.

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 11	**SHORT TERM PROVISIONS**		
	For Income tax	137.11	122.49
	For Wealth tax	0.13	0.09
	Proposed dividend on preference shares	3.16	6.65
	Proposed dividend on Equity shares	69.78	-
	Corporate dividend tax	12.40	1.13
	For employee benefits- Compensated absences	0.50	0.11
	TOTAL	**223.08**	**130.47**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

Note 12 - FIXED ASSETS ***₹ in million***

	Gross Block				Depreciation/ Amortization				Net Block
Description of assets	**As at 1 April 2013**	**Additions during the year**	**Deductions and adjustments during the year**	**As at 31 March 2014**	**As at 31 March 2013**	**For the year**	**Deductions/ adjustments**	**As at 31 March 2014**	**Net block as at 31 March 2014**
Tangible Assets									
Freehold land	10.38	-	-	10.38	-	-	-	-	10.38
Leasehold land [Refer note 12.1]	1.21	-	-	1.21	0.31	0.01	-	0.32	0.88
Building and roads	48.18	0.95	-	49.13	8.90	1.44	-	10.34	38.79
Plant and equipment [Refer note 12.2]	8,407.87	2,145.98	102.33	10,451.52	1,512.85	346.42	12.17	1,847.10	8,604.43
Electric installation	3.14	0.03	-	3.17	1.19	0.22	-	1.41	1.75
Furniture and fixtures	17.83	0.16	-	17.99	6.42	1.22	-	7.64	10.36
Office equipment	15.68	10.16	-	25.84	8.71	2.24	-	10.95	14.89
Computers	15.80	1.63	-	17.43	10.74	2.94	-	13.68	3.75
Vehicles	46.66	11.80	-	58.46	18.13	4.68	-	22.81	35.65
(A)	**8,566.75**	**2,170.71**	**102.33**	**10,635.13**	**1,567.25**	**359.17**	**12.17**	**1,914.25**	**8,720.88**
Intangible Assets									
Computer Software	5.36	0.47	-	5.83	3.85	0.91	-	4.76	1.07
Goodwill	48.74	-	-	48.74	29.25	9.75	-	39.00	9.74
(B)	**54.10**	**0.47**	**-**	**54.57**	**33.10**	**10.66**	**-**	**43.76**	**10.81**
TOTAL (A+B)	**8,620.84**	**2,171.18**	**102.33**	**10,689.70**	**1,600.35**	**369.83**	**12.17**	**1,958.01**	**8,731.69**

Capital work-in-progress [Refer note 12.3] 124.73

Previous year

Description of assets	Gross Block				Depreciation/ Amortization				Net Block
	As at 1 April 2012	Additions during the year	Deductions and adjustments during the year	As at 31 March 2013	As at 31 March 2012	For the year	Deductions/ adjustments	As at 31 March 2013	Net block as at 31 March 2013
Tangible Assets									
Freehold land	10.38	-	-	10.38	-	-	-	-	10.38
Leasehold land [Refer note 12.1]	1.23	-	0.02	1.21	0.30	0.01	-	0.31	0.90
Building and roads	45.14	3.07	0.03	48.18	7.56	1.35	0.01	8.90	39.28
Plant and equipment [Refer note 12.2]	6,522.76	1,954.36	69.25	8,407.87	1,254.29	260.26	1.70	1,512.85	6,895.02
Electric installation	3.11	0.03	-	3.14	0.97	0.22	-	1.19	1.95
Furniture and fixtures	17.52	0.31	-	17.83	5.24	1.18	-	6.42	11.41
Office equipment	15.20	0.48	-	15.68	7.08	1.63	-	8.71	6.97
Computers	14.94	0.86	-	15.80	8.05	2.69	-	10.74	5.06
Vehicles	46.02	0.64	-	46.66	13.81	4.32	-	18.13	28.53
(A)	**6,676.30**	**1,959.75**	**69.30**	**8,566.75**	**1,297.30**	**271.66**	**1.71**	**1,567.25**	**6,999.50**
Intangible Assets									
Computer Software	5.14	0.22	-	5.36	2.99	0.86	-	3.85	1.51
Goodwill	48.74	-	-	48.74	19.50	9.75	-	29.25	19.49
(B)	**53.88**	**0.22**	**-**	**54.10**	**22.49**	**10.61**	**-**	**33.10**	**21.00**
TOTAL (A+B)	**6,730.18**	**1,959.97**	**69.30**	**8,620.85**	**1,319.79**	**282.27**	**1.71**	**1,600.35**	**7,020.50**

Capital work-in-progress [Refer note 12.3] 1,357.30

12.1 Leasehold land has been taken on lease from Gujarat Industrial Development Corporation (GIDC) for a period of 99 years. Title deed in respect thereof is in the name of GIDC.

12.2 Additions to plant and equipment include borrowing costs of Rs.Nil (Previous year Rs.2.55 Million) and exchange difference (loss) of Rs.238.71 Million (Previous year Rs.136.10 Million).

12.3 Additions to capital work-in-progress include borrowing cost of Rs.65.03 Million (Previous year Rs.5.95 Million).

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 13	**NON CURRENT INVESTMENTS**		
	(Non trade)		
	Quoted		
	Fully paid up equity shares of Rs.10/- each		
	4,000 shares of Bank of India Limited	0.18	0.18
	TOTAL	**0.18**	**0.18**

Aggregate cost of quoted investments	0.18	0.18
Market value of quoted investments	0.92	1.21

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 14	**LONG TERM LOANS AND ADVANCES**		
	(Unsecured and considered good)		
	Advance tax (net of provision for tax)	159.39	143.92
	MAT credit entitlement	297.45	244.57
	Lease and security deposits	1.90	4.15
	Capital advances	56.60	65.83
	Other loans and advances [Refer note 14.1]	69.35	30.39
	TOTAL	**584.69**	**488.86**

14.1 Other loans and advances includes prepaid expenses, service tax input credit, balance in CENVAT, etc.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 15	**INVENTORIES**		
	Stores and spares	678.58	582.96
	Raw Material and components	-	6.94
	TOTAL	**678.58**	**589.90**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 16	**TRADE RECEIVABLES**		
	(Unsecured)		
	Considered Good		
	Debts outstanding for a period exceeding six months from due date	145.09	288.59
	Other Debts	1,047.14	1,196.63
		1,192.23	1,485.22
	Considered Doubtful		
	Debts outstanding for a period exceeding six months from due date	-	17.73
	Less: Provisions	-	17.73
		-	-
	TOTAL	**1,192.23**	**1,485.22**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 17	**Cash and Bank Balance**		
	Cash and cash equivalents		
	Cash on hand	0.61	0.55
	Balances with banks in current accounts	350.22	152.55
		350.83	153.10
	Other bank balances		
	Balances with banks in deposit & margin monies accounts [Refer notes 17.1 and 17.2]	140.61	172.98
	TOTAL	**491.44**	**326.08**

17.1 Deposits/ margin monies include Rs.20.07 Million (Previous year Rs.22.41 Million) with maturity of more than 12 months.

17.2 Deposits/ margin monies include Rs.139.17 Million (Previous year Rs.119.72 Million) on which banks have a lien.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 18			
	RESTATED CONSOLIDATED STATEMENT OF SHORT TERM LOANS AND ADVANCES		
	(Unsecured)		
	Considered Good		
	Lease deposits	-	1,101.74
	Advance to vendors	60.28	60.31
	Other loans and advances [Refer note 18.1]	26.87	130.13
		87.15	1,292.18
	Considered Doubtful		
	Advance to vendors	-	6.76
	Less: Provisions	-	6.76
		-	-
	TOTAL	**87.15**	**1,292.18**

18.1 Other loans and advances includes prepaid expenses, customs duty,VAT receivables, balance in CENVAT, et

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
Note No. 19	**OTHER CURRENT ASSETS**		
	Unbilled revenue	382.88	-
	Interest accrued on fixed deposits	4.79	5.88
	TOTAL	**387.67**	**5.88**

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 20	**Revenue from:**		
	Oil drilling and exploration services	5,169.58	4,263.56
	Mud and waste management services	15.45	27.93
	Sale of rig accessories	12.24	21.23
	Gross Turnover- Drilling Rigs	6.86	5.76
	Less: Excise duty	0.20	0.60
	Net Turnover	6.66	5.16
	TOTAL	**5,203.93**	**4,317.88**

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 21	**Interest Income:**		
	On bank deposits	12.14	8.02
	On income-tax refund	0.08	6.35
		12.22	14.37
	Scrap Sales	1.01	1.85
	Profit on sale of non-current investments (Long term)	-	0.65
	Dividend income on non-current investments (Long term)	0.06	0.03
	Exchange differences (net)	-	31.13
	Miscellaneous income	1.38	46.91
	TOTAL	**14.67**	**94.94**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 22	**CHANGES IN INVENTORIES OF FINISHED GOODS**		
	Stock of finished goods as at March 31, 2014	-	-
	Less: Stock as at April 1, 2013	-	0.26
	DECREASE	-	0.26

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 23	**OPERATING EXPENSES FOR DRILLING AND WORKOVER RIGS**		
	Rig site expenses:		
	a) Technical fees	287.00	328.07
	b) Manpower cost	248.03	208.64
	c) Catering and other site expense	386.03	241.22
	d) Equipment rentals [Refer note 29]	186.76	107.40
	e) Transportation	47.91	32.79
	f) Rent [Refer note 29]	64.56	52.11
		1,220.29	970.23
	Stores and Spares consumed	451.85	505.39
	Power and fuel	421.31	446.54
	Rig movement expense	331.59	241.72
	Repairs and maintenance- Plant and machineries	41.94	25.34
	Mud services expense	10.91	14.59
	Rebates, settlements & liquidated damages	149.26	27.84
	TOTAL	**2,627.15**	**2,231.65**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 24	**Manufacturing Expenses :**		
	Raw Material and Components (Indigenous)	4.84	6.74
	Other manufacturing expenses	1.04	0.14
	TOTAL	**5.88**	**6.88**

24.1

	Particulars of raw materials and components consumed		
a)	Drilling Rig Equipments	1.78	1.60
b)	Truck Chassis and Parts	1.89	1.88
c)	Iron and Steel	0.92	2.15
d)	Others	0.25	1.11
		4.84	6.74

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 25	**Employee benefit expenses :**		
	Salaries, bonus and allowances	552.43	459.38
	Contributions to provident fund and other funds [Refer note 32]	28.91	21.61
	Staff welfare expenses	9.37	11.61
	TOTAL	**590.71**	**492.60**

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 26	**FINANCE COSTS**		
	Interest on term loan from banks	238.17	193.60
	Interest on working capital loans	157.13	153.69
	Loss on foreign currency transactions and translation (net)	-	-
	Other borrowing costs [Refer note 26.1]	52.42	54.82
	TOTAL	**447.72**	**402.11**

26.1

Other borrowing costs includes bank charges, bank guarantee commissions, interest on delayed payments, etc.

JOHN ENERGY LIMITED
ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

₹ in million

		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Note No. 27	**OTHER EXPENSES**		
	Rent [Refer note 29]	24.07	11.00
	Rates and taxes	51.83	37.72
	Repairs and maintenance- Building	0.23	0.77
	Repairs and maintenance- Others	7.53	5.51
	Insurance	31.16	31.78
	Travelling and conveyance	98.19	83.33
	Legal and professional fees	20.77	38.43
	Communication expenses	15.63	15.50
	Vehicle expenses	18.80	11.09
	Loss on sale/ disposal of fixed assets (net)	9.20	3.00
	Donation	0.76	0.64
	Exchange differences (net)	48.84	-
	Provision for doubtful debts	-	7.03
	Bad debts	19.72	0.20
	Miscellaneous expenses	24.82	26.22
	TOTAL	**371.55**	**272.22**

27.1	Payment to auditors'		
	Audit fees	2.68	2.32
	As advisor or in any other capacity in respect of:		
	a) Taxation matters	0.46	-
	b) Company law matters	-	-
	b) In any other manner (certification work, etc.)	2.12	0.11
	For expenses	0.01	0.03
	TOTAL	**5.27**	**2.45**

₹ in million

		As at 31 March 2014 (IGAAP)	As at 31 March 2013 (IGAAP)
28	**Contingent liabilities and Commitments:**		
a)	Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	890.74	209.51
b)	Service tax demands disputed in appeals Primarily relates to classification of services for period 2004 to 2010. The matter is pending before CESTAT, Ahmedabad.	38.55	38.55
c)	Income tax demands disputed in appeals Demands received for assessment years- 2002-03 to 2009-10 and primarily relates to disallowance of depreciation. The matter is pending before the Income Tax Appellate Tribunal (ITAT) and Commissioner of Income Tax (Appeals).	99.07	99.07
	In respect of the disputed demands, the Group is hopeful of succeeding in appeals and as such does not expect any significant liability to materialize.		
d)	Performance guarantees issued to clients	842.83	655.59

Lease Transactions:

29 The Group has taken certain Premises/ Yards/ Equipment's/ Rigs on cancellable operating lease basis. The tenure of these leasesranges from 11-48 months with an option of foreclosure. Charge of lease rentals on this count is Rs. 275.39 Million (Previous yearRs.170.51 Million).

30 Earnings per share (EPS)

EPS is calculated by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	March 31, 2014	March 31, 2013
Net profit for the year after tax	562.88	427.80
Less: Dividend on cumulative redeemable preference shares including tax thereon	3.70	7.78
Net Profit for the year attributable to equity shareholders for basic EPS	559.18	420.02
Add: Dividend on cumulative convertible preference shares including tax thereon	0.05	0.05
Net Profit for the year attributable to equity shareholders for diluted EPS	559.23	420.07
Weighted average number of equity shares outstanding during the year (for calculating basic EPS)	17,444,444	17,443,027
add, Potential equity shares that could arise on conversion of preference shares	927,457	951,480
Weighted average number of equity shares outstanding during the year (for calculating diluted EPS)	18,371,901	18,394,507
Basic Earnings per Share (Rupees)	32.05	24.08
Diluted Earnings per Share (Rupees)	30.44	22.84
Nominal value per share (Rupees)	10.00	10.00

JOHN ENERGY LIMITED

ANNEXURE V - NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATIONS

31 Segment information:

Primary:

Business' is the primary segment of the Group, which in reportable terms is the Oil drilling and exploration services and other related services in connection therewith.

Secondary:

The Group has two geographical segments based upon location of its customers - within and outside India:

	Particulars	Within India	Outside India	Total
a)	Revenue	3,403.58	1,800.35	5,203.93
		(3,002.78)	(1,315.10)	(4,317.88)
b)	Segment assets	8,759.16	2,565.92	11,325.08
		(9,576.65)	(2,268.80)	(11,845.45)
c)	Cost incurred on acquisition of fixed assets	1,828.98	216.39	2,045.37
		(923.69)	(12.63)	(936.32)

Figures in brackets are for the previous year.

32 Employee Benefits:

a) **Defined Contribution Plan:**

Both the employees and the Group make predetermined contributions to the Provident Fund. Amount recognized as expense amounts to Rs.11.91 Million (Previous year Rs.11.31 Million).

b) Defined Benefit Plan: Gratuity (Funded)

		₹ in million
	March 31, 2014	March 31, 2013
I - Expense recognized in the Statement of Profit and Loss:		
Current service cost	4.55	3.53
Interest cost	1.89	1.53
Expected return on plan assets	(1.56)	(1.63)
Actuarial loss	10.82	5.59
Expense recognized during the year	15.69	9.03
II - Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:		
As at the beginning of the Year	23.60	18.06
Current service cost	4.55	3.53
Interest cost	1.89	1.53
Benefits paid	(2.44)	(2.83)
Benefits paid by employer	(0.58)	(2.24)
Actuarial loss	11.61	5.54
As at the end of the year	38.61	23.60
III - Movement in net liability / (asset) recognized in Balance Sheet		
As at the beginning of the Year	5.70	(1.10)
Expenses recognized during the year	15.69	9.03
Contributions made	(0.58)	(2.24)
As at the end of the year	20.81	5.70
IV - Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof:		
Fair value of plan assets at the beginning of the year	17.90	19.15
Expected return on plan assets	1.56	1.63
Actuarial gains /(losses) on plan assets	0.79	(0.05)
Benefits Paid	(2.44)	(2.83)
Fair value of plan assets at the end of the year	17.81	17.90
V - Net liability recognized in the Balance Sheet		
Present value of obligation as at the end of the year	38.61	23.60
Fair value of plan assets as at the end of the year	17.81	17.90
Net liability recognised in the Balance Sheet	20.81	5.70

VI - Return on plan assets		
Expected return on plan assets	1.56	1.63
Actuarial (losses)/gains	0.79	(0.05)
Actual return on plan assets	2.35	1.57
VII - The major categories of plan assets as a percentage of total plan assets		
Insurer Managed Funds	100%	100%
VIII - Experience adjustment on		
Plan liabilities loss	1.09	4.07
Plan assets gains/(losses)	0.79	(0.05)
IX - Principal actuarial assumptions		
Mortality	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate
Discount rate	8.93%	8.00%
Estimated rate of return on plan assets	8.70%	8.70%
Annual increase in salary costs	8.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority,promotion and other relevant factors including supply and demand in the employment market.

The actuarial calculations used to estimate defined benefit commitments and expenses in respect of gratuity are based on the above assumptions which if changed, would affect the defined benefit commitment's size and the expense. The aforesaid information is as certified by the actuary.

33 Related Party Disclosure:

(i) *Names and details of transactions with related parties* **₹ in million**

Name of the related party and nature of transactions	Nature of relationship	For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
John Oil and Gas Limited	Enterprise over which key management person and his relatives have significant influence		
Rent Paid		5.40	5.40
Vehicle hire charges		0.18	0.18
Reimbursment of Expenses		0.02	0.02
Dividend on Prefrence shares		3.00	8.31
Redemption of Preference Shares		50.00	-
Closing balance - (credit)		(8.54)	(3.61)
Mr. Maheshkumar Vyas	Key Management Person		
Managerial Remuneration		34.47	29.47
Loan Taken		55.90	38.50
Loan Repaid		-	1.50
Interest on Loan		7.65	1.15
Dividend on Prefrence shares		1.01	0.24
Redemption of Preference Shares		16.82	-
Closing balance - (credit)		(130.56)	(60.45)

Mr. Dilipkumar Vyas	Key Management Person		
Managerial Remuneration		9.80	9.80
Loan Taken		4.30	23.00
Loan Repaid		-	1.50
Interest on Loan		3.55	0.63
Dividend on Prefrence shares		0.11	0.03
Redemption of Preference Shares		1.80	-
Closing balance - (credit)		(29.40)	(23.38)

Mr. Chiragkumar Vyas	Key Management Person		
Managerial Remuneration		1.44	1.44
Loan Taken		12.20	10.50
Interest on Loan		2.95	0.28
Dividend on Prefrence shares		0.07	0.02
Redemption of Preference Shares		1.20	-
Closing balance - (credit)		(23.55)	(10.94)

Mr. Chintankumar Vyas	Relative of Key Management Person		
Salaries, bonus and allowances		1.29	1.21
Reimbursement of Expenses		-	0.04
Advance Given		0.01	-
Closing balance - debit		0.02	0.01

Mr. Rajkumar Vyas	Relative of Key Management Person (with effect from 01.06.2013)		
Salaries, bonus and allowances		0.25	-

Mr. Ruchitkumar Vyas	Relative of Key Management Person (with effect from 27.03.2014)		
Salaries, bonus and allowances		0.01	-

Mrs. Rasilaben Vyas	Relative of Key Management Person		
Redemption of Preference Shares		0.60	-
Dividend on Prefrence shares		0.04	0.01

Mrs. Abhaben Vyas	Relative of Key Management Person		
Redemption of Preference Shares		0.60	-
Dividend on Prefrence shares		0.04	0.01

Mr. Natvarlal Vyas	Relative of Key Management Person		
Redemption of Preference Shares		19.82	-
Dividend on Prefrence shares		1.19	0.28

(iii) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.

34 Derivative Instruments:

The Group has entered into the following derivative instruments to hedge the interest rate risk and currency risk. The Group does not use these contracts for speculative purposes.

(a) Outstanding swap agreement to hedge against fluctuation from floating to fixed interest rate changes: **₹ in million**

		Notional value of contract outstanding	
As at	**No. of contracts**	**USD Notional Amount**	**INR Equivalent Amount**
31st March, 2014	3	12.75	766.27
31st March, 2013	3	17.38	945.01

(b) Outstanding swap agreement to hedge against fluctuation in currency and interest rate changes:

As at	No. of contracts	Notional value of contract outstanding	
		JPY Notional Amount	INR Equivalent Amount
31st March, 2014	-	-	-
31st March, 2013	3.00	150.68	59.68

(c) The year end foreign currency exposure that have not been hedged by a derivative instrument are given below:

Particulars	Payables		Receivables	
	Foreign Currency	INR Equivalent Amount	Foreign Currency	INR Equivalent Amount
USD	50.35	3,026.33	20.08	1,206.69
	(73.67)	(4,006.84)	(24.45)	(1,329.70)
CDN	0.00	0.12	-	-
	(0.01)	(0.37)	(-)	(-)
DZD	289.30	221.04	407.95	311.70
	(258.72)	(180.00)	(36.01)	(25.05)
AED	0.03	0.51	0.07	1.13
	(-)	(-)	(-)	(-)
EURO	-	-	0.01	0.65
	(-)	(-)	(-)	(-)

Figures in brackets are in respect of previous year.

35 Additional information in respect of subsidiary companies:

Particulars	March 31, 2014	March 31, 2013
Synergy Drilling Fluids Private Limited		
Capital	0.50	0.50
Reserves	19.19	15.47
Total Assets	28.49	22.85
Total Liabilities	8.80	6.88
Total Revenue	15.48	28.54
Profit before taxation	5.40	13.68
Provision for tax (including deferred tax)	1.68	4.44
Profit after taxation	3.71	9.24
John Drilling Services Private Limited		
Capital	0.50	0.50
Reserves	(0.18)	(0.17)
Total Assets	0.35	0.35
Total Liabilities	0.04	0.03
Profit before taxation	(0.01)	(0.02)
Provision for tax (including deferred tax)	0.00	(0.01)
Profit after taxation	(0.01)	(0.01)
John Energy International DMCC		
Capital	3.37	-
Reserves	(3.10)	-
Total Assets	125.89	-
Total Liabilities	125.61	-
Profit before taxation	(2.63)	-
Profit after taxation	(2.63)	-

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE VI - ADJUSTMENT FOR RESTATEMENT OF CONSOLIDATED PROFIT AND LOSS

₹ in million

	For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Net Profit after taxation (as per audited accounts)	582.74	458.99
Adjustments on account of:		
Impact of change in rate of depreciation in repect of plant and equipment (rigs) (Refer note a)	(20.50)	(18.49)
Impact of (loss) on sale/ discard of fixed assets consequent to change in rate of depreciation (Refer note b)	(3.65)	(0.08)
Sub-total	**(24.15)**	**(18.57)**
Tax impact		
Deferred tax asset (Refer note c)	8.21	6.31
Tax on restated Adjustments	**8.21**	**6.31**
Adjustments relating to excess provision for taxes (Including MAT) (Refer note d)	(3.92)	(18.93)
Restated Net Profit after tax	**562.88**	**427.80**

Notes:

In financial year March 31, 2012, the Company reassessed the useful lives of rigs consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. Accordingly, the written down value of the rigs as at 1st April, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. In the compilation of the restated financial statements, the life of 30 years has been retrospectively applied since the inception of the Company. The cumulative impact of this change as at April 1, 2012 resulting into accretion to the figure of reserves and surplus as on that date is Rs.229.79 Million (pre-tax) with a consequential increase in depreciation charge for the 5 years being restated.

b) Adjustment represents impact on (loss)/ profit on sale/ discard of PPE consequent to change in rate of depreciation as stated in note (a) above.

c) Deferred tax represents impact consequent to change in rate of depreciation for reason as stated in note (a) above.

d) These adjustments have been reflected in the year(s) to which they pertain. Where these relate to years prior to year ended on March 31, 2013, the effect has been given in the balance of accumulated reserves as at April 1, 2012.

2) Regroupings:

Figures have been regrouped to ensure consistency of presentation based on the latest audited financials statements. The following significant regroupings have been made in the statement of Profit and Loss, as restated:

a) For the years ended March 31, 2014 and 2013, exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs have been regrouped / reclassified from “Other expenses” to “Finance costs” in the Statement of Profit and Loss, as restated.

Effect of the above adjustments are given below.

Particulars		For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
a) Finance costs		25.54	20.13
b) Other expenses		(25.54)	-
c) Other income		-	20.13

b) Adjustment to restated capital creditors represent credit notes received adjusted in the year to which it pertains.

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE VII - RESTATED STATEMENT OF DIVIDEND DECLARED.

₹ in million

	For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Proposed dividend on Preference Shares*	3.16	6.65
Proposed dividend on Equity Shares*	69.78	-
Corporate Dividend Tax	12.40	1.13
TOTAL	**85.34**	**7.78**

(a) Rate of Dividend on Equity Shares(%):		
On Equity Shares	40%	-
Dividend per Equity Share- Rupees	3.98	-

(b) Rate of Dividend on Preference Shares:		
Cumulative Redeemable Preference Shares(Series 2009)	6.00%	6.00%
Cumulative Redeemable Preference Shares(Series 2012)	6.00%	6.00%
Optionally Convertible Cumulative Redeemable Preference Shares (Series -I)	0.01%	0.01%
Optionally Convertible Cumulative Redeemable Preference Shares (Series -II)	0.01%	0.01%
Optionally Convertible Cumulative Redeemable Preference Shares (Series -V)	0.05%	0.05%

* on pro-rata basis

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE VIII - RESTATED STATEMENT OF CAPITALISATION

₹ in million

	Pre-offer for the year ended March 31, 2017	Adjusted for Post Offer*
Debt		
-Long term borrowings	3,592.89	[*]
-Current maturities of long-term borrowings	960.18	[*]
-Short term borrowings	1,454.75	[*]
Total Borrowings	**6,007.82**	[*]
Shareholders' funds		
- Share Capital	183.67	[*]
- Other Equity	5,741.33	[*]
Total Shareholder's funds	**5,925.00**	[*]
Debt/Equity Ratio	**1.01**	[*]

[*] Post Issue Capitalization will be determined after finalization of issue price.
Notes:
1) The above have been computed on the basis of restated statement of accounts.
2) For the purpose of Long term debt / Equity ratio, Long term debt has been considered including current maturities of long term debt

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
Place: Ahmedabad
Date: 31 January 2018

For and on behalf of the Board of Directors

Maheshkumar Vyas
Chairman and Managing Director
(DIN No. 00432810)

Dilipkumar Vyas
Whole-time Director
(DIN No. 00432971)

Rakesh Ghuwalewala
Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE IX - RESTATED STATEMENT OF ACCOUNTING RATIOS

₹ in million

	For the year ended 31 March 2014 (IGAAP)	For the year ended 31 March 2013 (IGAAP)
Earning Per Share (EPS):		
Restated Net profit for the year after tax	562.88	427.80
Less: Dividend on cumulative redeemable preference shares including tax thereon	3.70	7.78
Restated Net Profit for the year attributable to equity shareholders for basic EPS	559.18	420.02
Add: Dividend on cumulative convertible preference shares including tax thereon	0.05	0.05
Restated Net Profit for the year attributable to equity shareholders for diluted EPS	559.23	420.07
Weigted avg. number of equity shares outstanding during the year (for calculating basic EPS)	1,74,44,444	1,74,43,027
add, Potential equity shares that could arise on conversion of preference shares	9,27,457	9,51,480
Weighted avg. no. of equity shares outstanding during the year (for calculating diluted EPS)	**1,83,71,901**	**1,83,94,507**

Nominal value per share	10.00	10.00
Basic Earnings per Share - In Rupees	32.05	24.08
Diluted Earnings per Share- In Rupees	30.44	22.84
Return on Net Worth %	11.34%	9.53%
Net asset value per equity share (Rs.) @	282.95	257.23
@ Working of Net Asset Value per Equity Share:		
Networth (A)	5,054.70	4,687.89
Less: Preference Share Capital (B)	90.00	201.06
Net Worth(C= A-B)	4,964.70	4,486.83
No. of Equity Shares Outstanding at the end of the year(D)	1,75,46,487	1,74,43,027
Net asset value per equity share (Rs.)	282.95	257.23
Share Capital	265.46	375.49
Reserves and Surplus, as restated	4,789.24	4,312.40
Networth	5,054.70	4,687.89

1. The ratios on the basis of Restated Consolidated Financial Information have been computed as below:

Basic Earnings per share (Rs.) = Net profit as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the year

Diluted Earnings per share (Rs.) = Net profit as restated, attributable to equity shareholders / Weighted average number of dilutive equity shares outstanding during the year

Return on net worth (%) = Net profit after tax as restated (excluding extraordinary Items) / Net worth as restated (excluding Preference Share Capital) at the end of the year / period

Net Asset Value (NAV) per equity share (Rs.) = Net worth as restated (excluding Preference Share Capital) at the end of the year / period / Number of equity shares outstanding at the end of the year / period

2. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" issued by the Institute of Chartered Accountants of India.

3. Group does not have any extraordinary items and revaluation reserve.

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
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Company Secretary
M.No A15520
Place: Ahmedabad
Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

JOHN ENERGY LIMITED
ANNEXURE X - RESTATED STATEMENT OF TAX SHELTER

Taxation: ***₹ in million***

Income tax recognised in Statement of Profit and Loss	**March 31, 2014**	**March 31, 2013**
Current tax	175.68	154.44
Less: MAT credit entitlement	(55.70)	(104.00)
Deferred tax	120.08	227.66
Total income tax expenses recognised	**240.06**	**278.10**
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	805.76	724.83
Income tax rate	33.99%	32.45%
Income tax expense	273.88	235.21
Add: Tax expenses in respect of foreign branch not available for set off against the Indian tax liability of the Group	2.63	-
Tax Effect of:		
Expenses allowed	(293.45)	(250.04)
Utilization of unabsorbed depreciation/ losses	-	(37.53)
Expenses disallowed	129.80	93.80
Others	7.14	9.01
Current Tax Provisions (A)	**120.00**	**50.44**
Deferred tax liability on account of PPE	116.64	193.46
Deferred tax liability/ (asset) on account of temporary disallowances	3.44	(3.32)
Reversal of deferred tax asset on utilization of unabsorbed depreciation/ losses	-	37.52
Deferred Tax Provisions (B)	**120.08**	**227.66**
Income tax expense recognised in profit and loss (A+B)	**240.08**	**278.11**

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Jeyur Shah
Partner
Membership No: 045754
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Date: 31 January 2018

Jayesh Asher
Chief Financial Officer

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to assist you in understanding our financial position at September 30, 2017 and our results of operations for the years ended March 31, 2015, 2016 and 2017. You should read the following discussion of our financial condition and results of operations together with our audited consolidated financial statements as of and for the years ended March 31, 2015, 2016 and 2017, including the notes thereto and reports thereon, and the consolidated financial statement as of and for the six months period ended September 30, 2017, included elsewhere in this Draft Red Herring Prospectus.

This discussion contains forward-looking statements and reflects the current views of our Company (on a consolidated basis) 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 "Forward Looking Statements", "Our Business" and elsewhere in this Draft Red Herring Prospectus. Additionally, you should also read the section titled "Risk Factors" on page 17, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

The following discussion relates to our Company, our Subsidiary and our Joint Venture, and unless otherwise stated, is based on Restated Consolidated Financial Information which is included in this Draft Red Herring Prospectus under the section "Financial Statements" on page 197.

Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information to a prospective investor in countries other than India depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our Fiscal ends on March 31 of each year, therefore, all references to a particular Fiscal are to the twelve-month period ended March 31 of that year.

See also the section titled "Certain Conventions: Presentation of Financial, Industry and Market Data and Currency of Presentation" on page 12.

Overview

We are one of India's leading private onshore Oil & Gas service providers catering to upstream and midstream players in India and overseas. Our service offerings include land-based drilling, well completion services, workover drilling, integrated contract services, gas compression services and gas processing services, including gas dehydration services to the companies engaged in the onshore exploration, development and production of Oil & Gas including NOCs and private sector E&P players.

As on December 31, 2017, we own a fleet of 34 rigs comprising of 19 Drilling Rigs and 15 Workover Rigs. Over the years we have enhanced our capabilities with addition of advanced onshore drilling rigs of higher power, configuration and real-time data monitoring capabilities. We currently own 7 rigs with capacities above 1,000 HP which are capable of drilling depths 5,000 meters and beyond. Our Rigs have high mobility and are equipped with advanced components such as top drives enabling us to execute high skills drilling including pad drilling, deviation wells and horizontal drilling.

We also offer integrated contract services to upstream players whereby we bundle various services like including drilling fluid services, mug loggings services, wire line logging services, cementing services, casing services, well head completion services, surface facility services, direction drilling services with drilling and workover services. We have also bundled our services with the integrated services offered by other contractors to the upstream players.

We also offer midstream services i.e. natural gas compression services and natural gas dehydration services to players, engaged in the production and transportation of natural gas in India. We own five gas compressor units and we have been awarded various natural gas compression contracts with various public and private sector oil and gas companies. We have also forayed into the gas dehydration business. This is a relatively new business segment in India, primarily triggered due to the gas leakage incident that occurred in GAIL's KG Basin pipeline in the East Godavari district of Andhra Pradesh on June 27, 2014. As a consequence of this incident, PNGRB has made it mandatory to dehydrate natural gas before mounting it in the pipelines. We currently own one gas dehydration package and have been awarded a gas dehydration contract at Odalaveru Onshore Terminal in Andhra Pradesh.

We have more than two decades of experience in providing onshore Oil & Gas contract services across various geographies in India, including Gujarat and Rajasthan in the west, Himalayan mountain range in the north, Madhya Pradesh in the central India, Tamil Nadu and Andhra Pradesh in the south, and Assam, Arunachal Pradesh, Tripura and West Bengal in the east of India. We have experience of operating in difficult and technically challenging environments viz., desert, eco fragile environments, mountain ranges and sub-zero conditions. We have demonstrated a successful track record which includes more than 1,000 days of operation of a rig with zero LTI for 1,096 days in Fiscals 2009 to 2012.

We have a track record of executing projects overseas and have completed projects in Kazakhstan, Uganda and Algeria. We have successfully demonstrated our capability to execute contracts overseas are prequalified to undertake projects in various countries including being on the "Approved Vendor List" for Kuwait Oil Company Limited (*Source: CARE Report*). We are also a registered member of the International Association of Drilling Contractors ("**IADC**"), which represents the worldwide Oil & Gas drilling industry.

We own a central warehousing facility which includes rig maintenance facilities and a multi-functional workshop, located at Jagudan, Ahmedabad-Mehsana Highway, Gujarat. This workshop houses a repairing and overhauling station where we undertake in-house maintenance and repair jobs of rigs, a fabrication / refurbishment station, a centralized chemical yard and a consumables warehouse to stock the assets and consumables. We have an in-house training center at Jagudan, Ahmedabad-Mehsana Highway, Gujarat, which is equipped for providing detailed technical and management training sessions to our employees and to impart knowhow about the latest improvements in processes and technology in relation to our activities. We have also established a preventive maintenance system which is linked with ERP to ensure timely alerts to monitor equipment maintenance based on their usage, from time to time, thereby reducing downtime on the rigs.

Principal Factors Affecting Our Performance

Our business, results of operations and financial condition are affected by a number of factors, including:

Our ability to successfully bid for new and profitable contracts with higher day rates

Our business contracts for drilling and workover services, gas compression and gas dehydration services are typically awarded through a competitive bidding process. Pre-qualification is therefore key to our winning new contracts. In selecting contractors for major projects, clients generally limit the tender to contractors they have pre-qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. We therefore are required to develop on our pre-qualification status through focused upgradation of our equipment and client development efforts.

Further, price competitiveness of the bid is typically one of the most important selection criterion. We have to be cognizant of the day rates while bidding for new contracts. Day rates are the amount payable on drilling and workover contracts which are calculated as a multiple of the applicable rate and the time spent on hire or in operation. A day rate contract is either for a specified period of time or for the drilling or workover of a specified group of wells. Our revenue from our contracts is generally driven by our contract day rates and the period over which our rigs are under contract. Day rates are negotiated individually with clients for each contract. Our drilling contracts generally require us to conduct drilling or workover operations continuously during the term of the contract. The amount payable to us is calculated as a multiple of the applicable day rate and the time spent on hire in operational mode or in other modes for which we receive a lower rate, such as standby mode, mobilisation or inter-location move or de-mobilisation etc.

The following table shows the day rig uptime details for the Rigs that were currently operational during the periods indicated.

Financial Year	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Six months ended September 30, 2017
Workover Rigs	98.75%	98.53%	97.66%	98.56%	98.62%	97.56%
Drilling Rigs (up to 1000 HP)	96.98%	96.23%	92.36%	98.09%	99.07%	97.18%
Drilling Rigs (above 1000 HP)	98.55%	92.74%	96.61%	95.08%	93.99%	94.92%

Day rates are largely dependent upon the balance of supply and demand for rigs. Apart from the general supply and demand factors, the day rates are dependent on rig specifications, the nature of drilling service to be provided, and the age of our rigs. Rig specification variables impacting day rates include drilling depth capability, and other features such as the ability to drill in high pressure and high temperature wells and the number of mud pumps. We generally obtain slightly lower day rates for our older rigs. Our expenditure in executing a fixed day rate contract may vary substantially from the assumptions underlying our bids for several reasons, including unanticipated increases in the cost of equipment, material or manpower, delays associated with the delivery of equipment and materials to the project site, unforeseen construction conditions, including inability to obtain requisite approvals, delays caused by local weather conditions and other party's failure to perform. Maintenance, spares and fuel costs constitute a significant part of our operating expenses, and unanticipated increases in such costs if not taken into account in our bid may adversely affect our results of operations. Our ability to pass on increase in overall material prices may be limited under day-rate contracts with limited price variation provisions.

Rig-Wise Revenue Breakup

(in ₹ million)

	Fiscal 2013	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**	**Six months ended September 30, 2017**
Workover Rigs	544.97	529.60	497.30	360.87	365.92	210.32
Drilling Rigs (Upto 1,000 HP)	1,575.49	1,865.66	1,323.13	1,087.43	1,174.74	398.27
Drilling Rigs (above 1,000 HP)	2,070.22	2,721.85	3,228.94	4,103.20	4,130.46	1,579.25
Other Revenue	222.14	101.49	98.63	99.55	146.17	124.15
Total Revenue	**4,412.82**	**5,218.60**	**5,148.00**	**5,651.05**	**5,817.29**	**2,311.99**

Contribution to Revenue

	Fiscal 2013	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**	**Six months ended September 30, 2017**
Workover Rigs	12.35%	10.15%	9.66%	6.39%	6.29%	9.10%
Drilling Rigs (Upto 1000 HP)	35.70%	35.75%	25.70%	19.24%	20.19%	17.23%
Drilling Rigs (above 1,000 HP)	46.91%	52.16%	62.72%	72.61%	71.00%	68.31%
Other Revenue	5.03%	1.94%	1.92%	1.76%	2.51%	5.37%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

We believe that our long-term relationships with various public sector and private sector clients in India enable us to better understand our clients' requirements and better evaluate the scope of work and risks involved in a project we bid for.

Rig Utilization

Our revenues depend directly on the utilization rate of our rigs. The higher our utilization rate, the higher our revenues are likely to be. We calculate the utilization rate for a rig beginning on the day on which the rig has completed all of its initial refurbishment and other preparation and is ready for its first deployment. The utilization rate is the number of days in a year during which our rig is contracted (including time for mobilisation and de-mobilisation), compared to the total number of days in that year. The number of days that each of our rigs is utilized, as well as the operating day rates payable under our drilling contracts, are largely dependent upon the balance of supply and demand for our drilling services. Our utilization rates are lower during periods when our rigs are off-hire or out of service (due to, for example, maintenance and repair or inability to procure a contract). Each of our rigs is likely to be under periodic maintenance from time to time and hence do not generate revenue. Our rigs may also be subject to accidents and incidents that may result in their not being available for hire. We are subject to a number of operating risks. The operation, maintenance, building, refurbishing, upgrading and repair of our rigs will require substantial expenditure and may exceed estimates that could adversely affect our utilization rates.

The following table shows the utilization rates for those of our rigs that were operational for the periods indicated:

Financial Year	**Fiscal 2013**	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**	**Six months ended September 30, 2017**
Workover Rigs	81.02%	64.89%	55.92%	49.95%	47.69%	58.84%
Drilling Rigs (Upto 1000 HP)	56.17%	54.69%	43.67%	28.09%	37.59%	30.20%
Drilling Rigs (above 1000 HP)	95.58%	91.58%	61.89%	91.01%	98.64%	58.13%

Size and composition of our Order Book, relationships with our key customers and our ability to execute such contracts

The following table sets forth certain information relating to our Order Book as of January 15, 2018:

(₹ in millions except percentages)

Sr. No.		Estimated Order Book as of January 15, 2018		Total Estimated Order Book as of January 15, 2018 (contracted + LOA)	Percentage of Estimated Total Order Book as of January15, 2018 (%)
		Contracted	LOA		
Upstream Services					
1.	Workover Rigs	423.29	125.64	548.94	7.03
2.	Drilling Rigs (Upto 1000 HP)	1,314.83	420.81	1,735.63	22.23
3.	Drilling Rigs (above 1000 HP)	4,330.63	-	4,330.63	55.46
Midstream Services					
1.	Gas compression services / Gas Dehydration Services	37.18	1,156.20	1,193.38	15.28
	Total	**6,105.93**	**1,702.65**	**7,808.57**	**100.00**

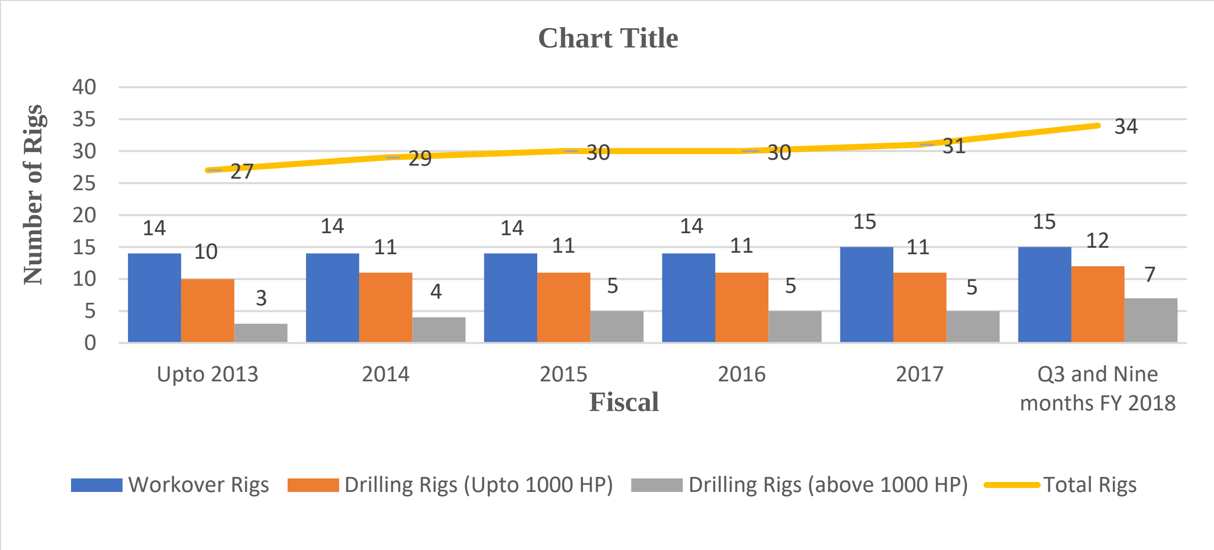
Our order book consists of commitments we believe to be firm. Our contract drilling and workover services orders reported above reflects estimated future revenues attributable to signed drilling and workover contracts. We calculate the future contracted revenue for our fleet, as the contract operating day or the R1 rate multiplied by the estimated number of days remaining on the contract, assuming full operational utilization. Our orders do not take into account potential revenue from any contract extension options exercisable by our clients as per the contract terms. The amount of actual revenue earned and the actual periods during which such revenue is earned will be different than the amount disclosed or expected due to various factors. Downtime due to various operating factors, including scheduled and unscheduled repairs, maintenance, weather, movement of rigs and other factors, may result in lower applicable day rates than the full contractual operating day rate. Moreover, amounts included in our order book may change because drilling contracts may be varied or modified by mutual consent or customers may exercise its termination rights. As a result, our orders as of any particular date may not be indicative of our actual operating results for the subsequent periods for which the revenue is calculated.

We depend on certain key customers for a substantial portion of our net revenues. Our top three customers accounted for approximately 91.32% of our consolidated total revenue from operations in the Six-month period ended September 30, 2017, compared with 92.38%, 86.25% and 84.17% and in Fiscals 2017, 2016 and 2015, respectively. Maintaining close relationships with our key customers is essential to our strategy and to the ongoing growth of our business. The loss of any key customer's business would seriously affect our revenues.

Size and composition of our rig fleet

The number of rigs in our fleet is an important factor that directly affects our results of operations. As the number of rigs that we operate has increased, our revenues and rig-operating expenses have increased accordingly. Our fleet as on the date of this Draft Red Herring Prospectus consists of 19 Drilling Rigs and 15 Workover Rigs. The composition of our fleet also affects our results of operations, as market demand and day rates may vary for rigs of different types, ages and specifications. In our experience, demand and day rates for modern and higher specification rigs will, in the absence of other relevant factors, generally be greater than for older and lower specification rigs. The drilling contract day rates for drilling rigs are higher than the rates for workover rigs.

The following chart shows the addition of rigs to our fleet the last five Fiscals and nine months period ended December 31, 2017.



Fiscal/ Period	Rig Count			
	Workover Rigs	Drilling Rigs (upto 1000 HP)	Drilling Rigs (above 1000 HP)	Total rigs
Upto 2013	14	10	3	**27**
2014	14	11	4	**29**
2015	14	11	5	**30**
2016	14	11	5	**30**
2017	15	11	5	**31**
Q3 and nine months period FY 2018	15	12	7	**34**

Global economic conditions affecting demand for Oil and Natural Gas

Our operations are substantially affected and will continue to be affected, by global macroeconomic conditions as well as emerging industry trends. Demand for our services are directly linked to developments in the oil and gas sector, including increases in the demand and increased investments in integrated Oil & Gas projects in India. While the level of activity of Oil & Gas companies tends to be the result of long-term capital planning, which is often implemented over several years, exploration, development, and drilling activity budgets are, however, strongly driven by current and anticipated oil and gas prices, which in turn drives the demand for our services.

As opposed to capital expenditure in exploration, development, and drilling activities, operating expenditures are usually more resilient to demand for Oil & Gas and price fluctuations. Operating expenditure includes spending related to supply, logistics, well intervention, maintenance and repair work on installations during the production and development phase of the field lifecycle, each of which are important in maintaining production and therefore tend to be relatively stable.

Keeping pace with the ever increasing technical requirements of the operators

We operate in an industry which are characterized by rapid technological changes and any delay by us in adapting to and developing capabilities to cater to changing demands in the Oil & Gas industry may affect our business operations. Our success depends substantially on our ability to quickly adapt to new technologies and develop and offer new services which anticipates changing market needs. As a result of downturn on demand for Oil & Gas, the sector is now focusing on operational efficiency and cultivating new value enhancing production methods. Older equipment on which maintenance costs are high and operational output is potentially lowered are being retired and the service providers are focusing on maintaining a more up to date and technologically advanced fleet of rigs to market for upcoming exploration projects.

Further, improving operational safety goes hand-in-hand with advancing drilling and workover apparatus. Modernisation of equipment and incorporation of automatic functions and advanced control systems, has reduced physical handling of the equipment thereby lowering potential safety risks such as operator fatigue and exposure to hazardous material.

Adapting to the technological advancements is key to bagging newer contracts and attaining higher operational efficiency which would directly have an impact on our profitability.

Ability to attract, recruit and retain skilled personnel.

A significant number of our employees are skilled engineers and we face strong competition to attract, recruit and retain these and other skilled and professionally qualified staff. The loss of any of the members of our senior management or other key personnel or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business and results of operations.

Basis of Presentation

We have included in this Draft Red Herring Prospectus audited financial statements, as restated, for the six-month period ended September 30, 2017 and Financial Years ended March 31, 2017, 2016, 2015, 2014 and 2013.

TRANSITION FROM INDIAN GAAP TO IND AS AND ITS IMPACT ON THE PREPARATION AND PRESENTATION OF THE RESTATED FINANCIAL STATEMENTS

For details please see "*Annexure V – Note 2 - First time Ind AS adoption reconciliations*" in the chapter *"Financial Statements*" on pages 225 and 360.

SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Restated Consolidated Statement of Assets and Liabilities of the John Energy Limited as at September 30, 2017, March 31, 2017, March 31, 2016 and March 31, 2015 and related Restated Consolidated Summary Statement of Profit and Loss. Restated Consolidated Summary Statement of Cash Flow for the half year ended September 30, 2017 and year ended March 31, 2017, March 31, 2016 and March 31, 2015 (hereinafter collectively referred to as "Restated Consolidated Financial Information") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("**SEBI**") in connection with proposed Initial Public Offering through Offer for Sale (IPO) of its equity shares.

The interim restated Consolidated financial statements for the half year ended September 30, 2017 have been prepared in accordance with recognition and measurement criteria laid down in Ind AS 34 – 'Interim Financial Reporting,' but they do not contain corresponding figures for the previous period as required by Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The Consolidated Financial Statements as at and for the year ended March 31, 2017 have been prepared in accordance with Indian Accounting Standards ("Ind As") notified under the Companies (Indian Accounting Standards) Rules ,2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016. In accordance with Ind AS 101 First- time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules,2006 ("**Previous GAAP**") to Ind AS for Shareholders' Fund as at March 31,2016 and April 1, 2015 and of the total comprehensive income for the year ended March 31, 2016.

For all the periods upto and including the year ended March 31, 2016, the Company prepared its Consolidated financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 ("Indian GAAP" or Previous GAAP"). These financial statements for the year ended March 31, 2017 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

These Restated Consolidated Financial Information have been prepared to comply in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (India Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Consolidated Proforma Financial Information of the Company as at and for the year ended March 31, 2015, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 (“**SEBI Circular**”). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1,2015) while preparing proforma financial information for the FY 2014-15 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2015.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies.

Basis of measurement:

The interim consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value and
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Measurement of fair values

The Group’s accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair value is included in the following notes:

Note O : - financial instruments
Note F : - assets held for sale

Functional and presentation currency

These interim consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded off to the nearest million, unless otherwise stated. With respect to the foreign subsidiary, the functional currency is other than Indian Rupees

Use of estimate and judgments

While preparing interim consolidated financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Judgment, estimates and assumptions are required in particular for:

Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the estimation done by management which is in line with the use full life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Inventories

Inventories include stores, spares and consumables which are interchangeable and used from time to time. In the best estimate and judgment of the Company's management, these spares and components have a realisable value in excess of their carrying value based on the replacement cost of such spares and components

Significant accounting polices

Basis of consolidation

The consolidated financial statements of the Group incorporate the interim standalone financial statements of the Holding Company and its subsidiaries.

Consolidation of subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statement of subsidiaries included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Consolidation of associate

The Group's interests in equity accounted investees comprises of interest in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted using equity method. They are initially recognised at cost which include transaction costs. Subsequent to initial recognition, the interim consolidated financial statements include the Group's share of profit or loss and OCI of equity - accounted investees until the date on which significant influence ceases.

When there is any objective evidence of impairment, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases. The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103 'Business Combination'. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures it at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest is included in the determination of the gain or loss on disposal of the associate.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as realised gains, but only to the extent that there is no evidence of impairment.

Revenue

Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services:

Income from oil drilling and exploration is recognized when services are rendered as per the terms of the contractual arrangements and when collectability of the resulting receivable is reasonably assured. Operating lease income is recognized as per the terms of the lease contract.

Sale of goods:

Revenue from sale of goods is recognised upon delivery in accordance with the terms of the individual contracts and on transfer of significant risks and rewards in respect of ownership to the buyer. Revenue is recognised when collectability of the resulting receivable is reasonably assured.

Other Operating Revenues:

Other operating revenues comprise of income from ancillary activities incidental to the operations of the Group and is recognised when the right to receive the income is established as per the terms of the contract.

Dividend and Interest Income:

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Borrowing costs

Borrowing Cost include interest and other costs (including exchange differences relating to foreign currency borrowings to the extent regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Leases

Determining whether an arrangement contains a lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception or on reassessment of the lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Assets held under lease

Lease of property, plant and equipment that transfers to the Group substantially all the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with accounting policy applicable to similar owned assets.
Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet

Lease payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Earnings per share

Basic earnings per share is computed by dividing the profit /(loss) after tax (excluding OCI) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (excluding OCI) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and any directly attributable cost of bringing them to working conditions for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
Any gain or loss on disposal of an item if property, plant and equipment is recognised in profit or loss.

ii. Deemed cost on transition to Ind AS:

The Group has elected to continue with the carrying value of all of its PPE recognised as of 1st April, 2015 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditures will flow to the Group.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful life as estimated by management which is in line with Schedule II of Companies Act, 2013 using the straight-line method and depreciation is provided at 100% on items of property, plant and equipment costing less than ₹ 5,000 in the year of purchase and is recognised in Depreciation and Amortisation Expense in Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation of additions/ disposals is provided on a pro-rata basis, i.e., from/ upto the date on which the asset is ready to use/ disposed off.

v. De-recognition of Property, Plant and Equipment

An item of property, plant and equipment is de-recognised upon disposal or when no economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

Capital work-in-progress and capital advances

Cost of assets not ready for intended use, as on the reporting date, is shown under capital work-in-progress. Advances given towards acquisition of property, plant and equipment outstanding as at reporting date are disclosed as other non-current assets.

Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment loss, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss

iii. Amortisation

Amortisation is calculated to write off the costs of intangible assets less their estimated residual value over their useful life as specified under Schedule II of Companies Act, 2013 using the straight-line method and amortisation is provided at 100% on items of intangible assets costing less than ₹ 5,000 in the year of purchase and is recognised in Depreciation and Amortisation Expense in Statement of Profit and Loss.

Impairment of property, plant and equipment and intangible assets:

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement profit or loss.

Inventories

Inventories are measured at lower of cost or net realizable value. The cost is determined on first in first out basis. The cost of inventories comprises of cost of purchases, taxes and duties (net of eligible credits) and all other related costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of obsolete/slow moving inventories are adequately provided for.

Employee Benefits

Employee benefits includes provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan

Payments to defined contribution plans i.e., Group's contribution to provident fund and employee state insurance, are determined under the relevant statute and relevant schemes and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined benefit plan:

For defined benefit plans i.e. Group's liability towards gratuity (funded), i.e. the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each reporting period. Defined benefit costs are comprised of:

a) service cost (including current service cost, past service cost, as well as gains and losses on settlements);
b) net interest expense or income; and
c) re-measurement.

The Group presents the first two components of defined benefit costs in statement of Profit or Loss under 'Employee benefits expense'. Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the Balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to statement of profit or loss.

<u>Other long-term employee benefits</u>

Liability towards Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the interim consolidated Statement of Profit and Loss.

<u>Short-term employee benefits</u>

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives and medical benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Taxes on Income:

Income tax expense represents the current tax and deferred tax. Current and deferred tax are recognised in statement of profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in Equity respectively.

<u>Current tax</u>

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

<u>Deferred tax</u>

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the interim financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

<u>Minimum Alternate Tax (MAT):</u>

Minimum Alternative Tax ('MAT') under provision of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Foreign currency transactions:

i. Initial recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of Profit and Loss.

ii. Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates and are recognised in Statement of Profit and Loss in the period in which they arise, except for exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed before 1 April 2016 at rates different from those at which they were initially recorded or reported in the previous consolidated financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets.

iii. Foreign operations (Through foreign branch):

The Group's foreign operations (through foreign branch) are an integral part of the Group's activities. In preparing the interim consolidated financial statements, transactions in currencies other than the Company's functional currency are being recognised at the transaction rates prevailing on date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

iv. Foreign currency translation reserve:

For the purposes of presenting these interim consolidated financial statements, the assets and liabilities of the Group's entities whose functional currency is other than Indian rupees are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve (and attributed to non-controlling interests as appropriate).

Provisions:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Classification of financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present the Group does not have investment in any debt securities classified as FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI equity investment). This election is made on an investment by investment basis. At present there are no such investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include

whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Subsequent Measurement and Gains and Losses for Financial Assets held by the Group

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue cost.

Financial liabilities:

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

De-recognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Group has applied the de-recognition requirements of financial liabilities prospectively for transactions occurring on or after 1st April 2015 (the transition date).

Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

RESULTS OF OPERATIONS

The table below sets forth our results of operation derived from our consolidated restated financial statements for the six months period ended September 30, 2017 and the fiscal years 2017, 2016 and 2015, expressed in absolute terms and as a percentage of our total income for the periods indicated:

	Six months period ended September 30, 2017		**Fiscal 2017**		**Fiscal 2016**		**Fiscal 2015**	
	Amount (in ₹ million)	**Percentage of total income (%)**	**Amount (in ₹ million)**	**Percentage of total income (%)**	**Amount (in ₹ million)**	**Percentage of total income (%)**	**Amount (in ₹ million)**	**Percentage of total income (%)**
Income								
Revenue from operations								
Oil drilling and exploration services	2,274.95	98.40	5,718.25	98.30	5,575.00	98.65	5,107.89	99.22
Sale of rig accessories	3.20	0.14	34.57	0.59	12.94	0.23	13.42	0.26
Sale of water rigs and allied equipment	4.67	0.20	14.54	0.25	24.00	0.42	2.13	0.04
Total Revenue from Operations	**2,282.82**	**98.74**	**5,767.36**	**99.14**	**5,611.94**	**99.30**	**5,123.44**	**99.52**
Other Income	29.17	1.26	49.93	0.86	39.11	0.69	24.56	0.48
Total Income	**2,311.99**	**100.00**	**5,817.29**	**100.00**	**5,651.05**	**100.00**	**5,148.00**	**100.00**
Expenses								
Operating expenses for drilling and workover	1,056.72	45.71	2,574.04	44.25	2,741.80	48.52	2,728.82	53.01
Manufacturing expenses	4.71	0.20	14.23	0.24	18.89	0.33	1.48	0.03
Employee benefit expenses	353.28	15.28	640.14	11.00	581.41	10.29	582.25	11.31
Finance costs	266.33	11.52	491.17	**8.44**	530.01	**9.38**	520.79	**10.12**
Depreciation and amortization expense	296.98	12.85	513.93	8.83	528.46	9.35	486.38	9.45
Other expenses	167.49	7.24	450.10	7.74	456.41	8.08	327.94	6.37
Total Expenses	**2,145.51**	**92.80**	**4,683.61**	**80.51**	**4,856.98**	**85.95**	**4,647.66**	**90.29**

	Six months period ended September 30, 2017		Fiscal 2017		Fiscal 2016		Fiscal 2015	
	Amount (in ₹ million)	**Percentage of total income (%)**	**Amount (in ₹ million)**	**Percentage of total income (%)**	**Amount (in ₹ million)**	**Percentage of total income (%)**	**Amount (in ₹ million)**	**Percentage of total income (%)**
Profit Before Tax	166.48	7.20	1,133.68	19.49	794.07	14.05	500.34	9.72
Tax Expenses								
Current tax (including foreign tax)	-	-	(330.35)	(5.67)	(405.72)	(7.18)	(167.30)	(3.25)
Deferred tax	(3.17)	(0.14)	(89.78)	(1.54)	(184.28)	(3.26)	(70.56)	(1.37)
MAT credit entitlement	-	-	0.01	-	77.06	1.36	66.55	1.29
MAT credit entitlement of earlier years	-	-	-	-	9.40	0.16	(3.20)	(0.06)
Excess provision for tax in respect of earlier years	-	-	-	-	-	-	10.47	0.20
Total Tax Expense	**(3.17)**	**(0.14)**	**(420.12)**	**(7.22)**	**(503.54)**	**(8.91)**	**(164.04)**	**(3.19)**
Profit for the Year/ period	**163.31**	**7.06**	**713.56**	**12.27**	**290.53**	**5.14**	**336.30**	**6.53**
Other Comprehensive Income (OCI)								
(A) Items that will be reclassified to profit or loss								
(Loss)/ Gain arising from translating the Financial Statements of foreign operations	(0.29)		(20.15)		13.76		(27.60)	
Total (A)	**(0.29)**	**(0.01)**	**(20.15)**	**(0.35)**	**13.76**	**0.24**	**(27.60)**	**(0.54)**
(B) Items that will not be reclassified to profit or loss								
(a) Loss on remeasurement of defined benefit plans	3.30		5.64		4.73		3.14	
(b) Tax effect on above	(1.14)		(1.92)		(1.64)		(0.81)	
Total (B)	**2.16**	**0.09**	**3.73**	**0.06**	**3.09**	**0.05**	**2.33**	**0.05**
Total comprehensive income for the year	**161.44**	**6.98**	**689.68**	**11.86**	**301.20**	**5.33**	**306.37**	**5.95**

Non-Ind AS Financial Measures

We have also included EBITDA (earnings before finance income and cost, income taxes, and depreciation and amortisation), a non-Ind AS financial measure, in this DRHP.

The following table reconciles our profit before tax (an Ind AS financial measure) to EBITDA (non-Ind AS financial measure):

(₹ in millions)

	For six months period ended 30 Sep 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015
Profit before tax	166.48	1,133.68	794.07	500.34

	For six months period ended 30 Sep 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015
Add: Finance costs	266.33	491.17	530.01	520.79
Add: Depreciation and amortisation	296.98	513.93	528.46	486.38
EBITDA*	729.79	2,138.78	1,852.54	1,507.51

1) EBITDA is earnings before finance cost, income taxes and depreciation and amortisation. It is calculated as total revenue subtracting total expenses but excluding finance cost and depreciation and amortization.

   EBITDA is included as supplemental disclosure as we consider that they are useful indicators of our operating performance. Derivation of EBITDA is a well-recognized performance measurements in the Oil & Gas Service industry that are frequently used by companies, investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry. We also consider EBITDA to be useful for evaluating performance of our senior management team. However, because derivation of EBITDA is not determined in accordance with Ind AS, such measures are susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, derivation of EBITDA as presented may not be directly comparable to similarly titled measures presented by other companies.

   These non-Ind AS financial measures have limitations as an analytical tool. Some of these limitations are: they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments; they do not reflect changes in, or cash requirements for, our working capital needs; they do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements; and other companies in our industry may calculate EBITDA differently than we do, limiting their usefulness as a comparative measure. Because of these limitations, EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with Ind AS.

2) EBITDA margin is calculated as EBITDA / Total Revenue

PRINCIPLE COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT

Revenue

Revenue from operations

Our revenue from operations primarily comprises revenue from the oil drilling and exploration services/ workover services. Our revenues are driven primarily by the number of rigs in our fleet, the number of days during which the rigs in our fleet operate, the day rates that our rigs earn under their drilling contracts and the amount of time that each of our rigs spends on hire. Further we also derive a small part of our revenue from sale of rig accessories and sale of water rigs and allied equipment.

Our Revenue from operations was ₹ 5,767.36 million,₹ 5,611.94 million and ₹ 5,123.44 million in the Fiscals 2017, 2016 and 2015, respectively. Our revenue from operations represented 99.14%, 99.31% and 99.52% of our total revenue for the Fiscals 2017, 2016 and 2015, respectively of which revenue from oil drilling and exploration services, sale of rig accessories and sale of water rigs and allied equipment was as follows:

(₹ in million)

Sr. No.	Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
1.	Oil drilling and exploration services/ workover services	5,718.25	5,575.00	5,107.89
2.	Sale of rig accessories	34.57	12.94	13.42
3.	Sale of water rigs and allied equipment	14.54	24.00	2.13
	Total	**5,767.36**	**5,611.94**	**5,123.44**

Other income

Other income primarily comprises interest income on bank deposits, interest income on income tax refund, profit on sale/disposal of property plant and equipment (PPE), exchange differences (net), scrap sales, dividend income from investment carried at fair value through profit or loss ("**FVTPL**"), gain/ (loss) on investment carried at FVTPL, excess provisions/ balances written back and others including bank guarantee fee and Other Miscellaneous income.

Expenses

Our expenses consist primarily of operating expenses for our drilling and workover operations, manufacturing expenses, employee benefits expenses, finance costs, depreciation and amortisation expenses and other expenses.

Operating expenses for our drilling and workover services

Our operating expenses comprises primarily of rig site expenses which includes technical fees, manpower costs, catering and site expenses, equipment rentals, transportation and rent. Other operating expenses incurred by us includes stores and spares consumed, power and fuel expenses, rig movement expenses, repairs and maintenance expenses (of plant and machinery expenses), and rebates, settlements and liquidated expenses.

Employee benefits expense

Employee benefits expense comprises salaries, bonuses and allowances, contributions to provident fund and other funds and staff welfare expenses.

Manufacturing expenses

(₹ in million)

Particulars	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Raw Material and Components (Indigenous)	12.51	17.37	0.82
Other manufacturing expenses	1.72	1.52	0.66

Finance costs

Finance costs comprise interest on term loan from banks and working capital loans, net loss on foreign currency transactions and translation and other borrowing costs including bank charges, bank guarantee commissions, interest on delayed payments, etc.

Depreciation and amortisation expense

We provide for depreciation and amortization on tangible assets (other than freehold land) and intangible assets. The cost of leasehold land is amortized over the period of the lease. Depreciation of other fixed assets, other than freehold land, is provided using the straight-line method at the rates specified in Schedule II to the Act.

Other expenses

Other expenses primarily comprise of rent, repairs and maintenance of (building and others), insurance, travelling and conveyance, communication expenses, rates and taxes, legal and professional fees and expenses, communication expenses and net loss on foreign currency transactions and translation (other than those which are considered finance costs) and other miscellaneous expenses.

Six months period ended September 30, 2017

Income

Our total income amounted to ₹ 2,311.99 million in the six months period ended September 30, 2017.

Income from Operations

Total revenue from operations amounted to ₹ 2,282.82 million in the six months period ended September 30, 2017, consisting mainly of revenues from the oil drilling and exploration services/ work over services of ₹ 2,274.95 million. Further we also derived a revenue of ₹ 4.67 million and ₹ 3.20 million from sale of water rigs and allied equipment and sale of rig accessories in the same period. Our Rigs 16, 17, 20 and 26 in Algeria have come off contract in Fiscal 2017 and in the six months period ended September 30, 2017. As these Rigs were idle during the six months period ended September 30, 2017,the same is reflected in the low utilization for six months period ended September 30, 2017. However, some of these rigs have been contracted or have / received LOAs which is included as per as part of the order book. Please see "*Our Business*" on page 134.

Other Income

Our other income amounted to ₹ 29.17 million in the six months period ended September 30, 2017, primarily arising from miscellaneous income of ₹ 20.98 million, interest earned on bank deposit amounting to ₹ 7.86 million and scrap sales amounting to ₹ 0.33 million.

Expenses

Operating expenses for our drilling and workover services

Our operating expenses for our Drilling and Workover Rigs amounted to ₹ 1,056.72 million in the six months period ended September 30, 2017. This expenditure consisted mainly of expenditure towards rig site expenses amounting to ₹ 391.64 million in the six months period ended September 30, 2017. Rig site expenses consist of expenditure of ₹ 138.68 million, ₹ 110.53 million, ₹ 47.54 million, ₹ 42.12 million, ₹ 35.24 million, and ₹ 17.53 million towards catering and site expenses, manpower costs, equipment rentals, transportation, technical fees and rent, respectively.

Other operating expenses in the six months period ended September 30, 2017 includes expenses towards stores and spares consumed, power and fuel expenses, rig movement expenses, repairs and maintenance expenses (of plant and equipment expenses), amounting to ₹ 298.72 million, ₹ 285.75 million, ₹ 48.67 million, ₹ 31.94 million respectively.

Employee benefit expenses

Our employee benefit expenses amounted to ₹ 353.28 million in the six months period ended September 30, 2017 primarily consisting of payment of salaries, bonuses and allowances, contributions to provident fund and other funds and staff welfare expenses.

Manufacturing expenses

Our manufacturing expenses amounted to ₹ 4.71 million in the six-month period ended September 30, 2017 primarily consisting of raw material and components (indigenous) and other manufacturing expenses for manufacturing of water rigs and allied equipment.

Finance costs

Our finance costs amounted to ₹ 266.33 million in the six-month period ended September 30, 2017 which consists of interest on term loans and working capital loans availed by us and other borrowing costs including bank charges, bank guarantee commissions, interest on delayed payments, etc.

Other expenses

Our other expenses amounted to ₹ 167.49 million in the six months period ended September 30, 2017, primarily consisting of (1) travelling and conveyance expense of ₹ 49.67 million; (2) rates and taxes of ₹ 29.32 million; (3)

provisions for MTM loss on derivate contracts of ₹ 23.23 million; (4) insurance fee of ₹ 16.32 million; (5) rent of ₹ 12.61 million; (6) vehicle expenses of ₹ 9.95 million; (7) expenditure towards repairs and maintenance of others and buildings etc. of ₹ 7.96 million; (8) other miscellaneous expenses of ₹ 6.88 million, (9) communication expenses of ₹ 4.49 million; (10) net loss on foreign currency transactions of ₹ 3.28 million; (11) legal and professional fees of ₹ 2.66 million; (12) Loss on disposal of assets (net) of ₹ 0.98 million, (13) Donation, CSR activities of ₹ 0.13 million, (14) Loss on investments carried at FVTPL amounting to ₹ 0.01 million.

EBITDA

As a percentage of our total income, EBITDA (adding depreciation and finance cost to consolidated restated profit before tax) constituted to 31.57% amounting to ₹729.79 million for six months period ended September 30, 2017.

Depreciation and amortisation

Depreciation and amortisation cost of ₹ 296.98 million, which includes depreciation on plant and machineries, buildings and roads, on electric installations, on furniture and fixtures, on office equipments, on computer, on vehicles and amortisation of software.

Profit before taxation

As a result of the foregoing, our restated profit before tax amounted to ₹ 166.48 million for the six months period ended September 30, 2017 which constituted 7.20% of our total revenue for the period ended September 30, 2017.

Provision for taxation

Our total tax expense was ₹ 3.17 million for the six months period ended September 30, 2017 as our Company has estimated net tax loss for the Fiscal 2018. Accordingly, the interim period tax expense (current and deferred tax) has been determined using the tax rate that would be applicable to estimated annual earnings (i.e. annual effective tax rate) in accordance with Ind AS 34 “Interim Financial Reporting”.

Profit after Tax (Profit for the six months period ended September 30, 2017)

As a result of the foregoing, our restated profit after tax amounted to ₹ 163.31 million for the six months period ended September 30, 2017 which constituted 7.06% of our total revenue for the six months period ended September 30, 2017.

Fiscal 2017 compared to Fiscal 2016

Income

Income from Operations

Our total income from operations increased by 2.77% to ₹ 5,767.36 million for the Fiscal 2017 from ₹ 5,611.94 million for the Fiscal 2016, primarily as a result of booking of full income from one of our rigs, originally contracted in Fiscal 2016, which became fully operational during Fiscal 2017.

Income from Oil drilling and exploration services

Our revenue from oil drilling and exploration services increased marginally by 2.57% to ₹ 5,718.25 million in Fiscal 2017 from ₹ 5,575.00 million in Fiscal 2016 primarily on account of booking of full income from one of our rigs in Fiscal 2017 which had been originally contracted in Fiscal 2016, which became fully operational during Fiscal 2017.

Income from sale of rig accessories, water rigs and allied equipment

Our income from sale of rig accessories and sale of water rigs and allied equipment increased by 167.27% to ₹ 34.57 million in Fiscal 2017 from ₹ 12.94 million in Fiscal 2016 and decreased by 39.42% to ₹ 14.54 million in Fiscal 2017 from ₹ 24.00 million in Fiscal 2016, respectively.

Other income

Our other income increased by 27.68% to ₹ 49.93 million in Fiscal 2017 from ₹ 39.11 million in Fiscal 2016. The increase was primarily due to gain due to difference in exchange rates of ₹ 13.08 million.

Expenses

Our expenses decreased marginally by 3.57% to ₹ 4,683.61 million in Fiscal 2017 from ₹ 4,856.98 million in Fiscal 2016, primarily as a result of decrease in operating expense for Drilling Rigs and Workover Rigs, finance cost, depreciation and amortization expense, manufacturing expense and other expense by ₹ 167.76 million, ₹ 38.84 million, ₹ 14.53 million, ₹ 4.66 million and ₹ 6.31 million, respectively and partially offset by increase in employee benefit expenses by ₹ 58.73 million.

Operating expenses for drilling and workover

Our operating expenses for drilling and workover decreased by 6.12% to ₹ 2,574.04 million in Fiscal 2017 from ₹ 2,741.80 million in Fiscal 2016, primarily due to decrease in rig site expenses and rig movement expense, which was partially offset by increase in expenditure towards power and fuel, and stores and spares consumed. Further, as a percentage of total income, our operating expenses for drilling and workover decreased slightly to 44.25% in Fiscal 2017 from 48.52% in Fiscal 2016.

Decrease in rig site expenses in Fiscal 2017 was primarily due to decease in payment of technical fees by 47.23% to ₹ 79.36 million in Fiscal 2017 from ₹150.40 million in Fiscal 2016. This decrease was a result of decrease in consultancy fees in respect of one of the contracts for sales promotion, which ended in Fiscal 2016. Moreover, our expenditure towards equipment rental decreased by 24.01% to ₹110.12 million in Fiscal 2017 from ₹ 144.91 million in Fiscal 2016, primarily as a result of reduction in crane hire charges for Rigs 16, 17, 20 and 26 in Algeria, Rig 18 in Gujarat and Rig 24 in Rajasthan and equipment hire charges in Algeria, in Fiscal 2017. Our manpower cost decreased by 16.25% to ₹ 526.38 million in Fiscal 2017 from ₹ 628.53 million in Fiscal 2016, primarily on account of contract employees/ retainers at Algeria being taken into payroll of our Company, which in turn increased our Employee benefits expenditure. Other Rig site expenses including catering and other site expenses decreased by 11.17% to ₹ 411.49 million in Fiscal 2017 from ₹ 463.23 million in Fiscal 2016, primarily as a result of reduction in catering expense in Fiscal 2017 at four rig sites at Algeria compared to Fiscal 2016 and on account of reduction in catering expense in Fiscal 2017 compared to Fiscal 2016 in relation to Rig 18, as the rig was not in operation in Fiscal 2017.

Our rig movement expenses also saw a decrease by 12.43% t*o* ₹ 271.99 million in Fiscal 2017 from ₹ 310.60 million in Fiscal 2016.

Our decrease in operating expenses towards drilling and workover was partially offset by increase in expenditure towards power and fuel, and stores and spares consumed. Expenditure towards power and fuel increased by 20.01% to ₹ 443.19 million in Fiscal 2017 from ₹ 369.29 million in Fiscal 2016 and towards stores and spares consumed increased by 15.40% to ₹ 592.89 million in Fiscal 2017 from ₹ 513.75 million in Fiscal 2016. The increase in expenditure by ₹ 73.91 million towards power and fuel was primarily due to increase in expenditure towards power and fuel expenses at Rig 27 contracted with GAIL located in Rajasthan and towards power and fuel expenses at Rig 30 contracted in Assam, respectively. These rigs were made fully operational in Fiscal 2017 as compared to Fiscal 2016. Further, there as an increase in expenditure of ₹ 79.14 million towards stores and spares consumed in Fiscal 2017, which is attributable to maintenance work undertaken during inter location movement in Algeria rigs in Fiscal 2017.

Employee benefit expense

Our employee benefit expenses which includes expenses due to full-time employment increased by 10.10% to ₹ 640.14 million in Fiscal 2017 from ₹ 581.41 million in Fiscal 2016. The increase was due to increase in payroll cost in Algeria primarily on account of contract employees/ retainers at Algeria being taken into payroll of our Company. This resulted in decrease in manpower cost (i.e. contractual employment).

Finance costs

Our finance costs decreased marginally by 7.33% to ₹ 491.17 million in Fiscal 2017 from ₹ 530.01 million in

Fiscal 2016 due to decrease in interest on term loan and working capital loan from Fiscal 2016 to Fiscal 2017.

Other Expenses

Our other expenses decreased by 1.38% to ₹ 450.10 million in Fiscal 2017 from ₹ 456.41 million in Fiscal 2016. Other expenses primarily comprise of rent paid, repairs and maintenance, insurance, travelling and conveyance, communication expenses, rates and taxes, legal and professional fees and expenses, communication expenses and net loss on foreign currency transactions and translation (other than those which are considered finance costs) and other miscellaneous expenses.

EBITDA

On account of the foregoing, our EBITDA (adding depreciation and finance cost to consolidated restated profit before tax) increased by 15.45% to ₹ 2,138.78 million in Fiscal 2017 from ₹ 1,852.54 million in Fiscal 2016.

Depreciation and amortisation expense

Our depreciation and amortisation decreased by 2.75% to ₹ 513.93 million in Fiscal 2017 from ₹ 528.46 million in Fiscal 2016. In financial year March 31, 2012, the Company reassessed the useful lives of rigs consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. Accordingly, the written down value of the rigs as at April 1, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. In the compilation of the restated financial statements, the life of 30 years has been retrospectively applied since the inception of the Company. The resultant change has been applied retrospectively.

Profit before tax

As a result of the foregoing factors, our profit before tax increased by 42.77% to ₹ 1,133.68 in Fiscal 2017 from ₹ 794.07 million in Fiscal 2016, which constituted 19.49% and 14.05% of our total income for the Fiscal 2017 and Fiscal 2016 respectively.

Tax Expense

Our total tax expense decreased by 16.57% to ₹420.12 million in Fiscal 2017 from ₹ 503.54 million in Fiscal 2016, primarily due to a decrease in our deferred tax, our current tax liability and MAT credit entitlement.

Profit after tax (Profit for the year)

Our profit after tax in Fiscal 2017 was ₹ 713.56 million, an increase of 145.61% over profit after tax in Fiscal 2016 of ₹ 290.53 million. Further, as a percentage of our total revenue, there has been an increase in the profit from 5.14% in Fiscal 2016 to 12.27% in Fiscal 2017.

Fiscal 2016 compared to Fiscal 2015

Income

Income from Operations

Our total income from operations increased by 9.53% to ₹ 5,611.94 million for the Fiscal 2016 from ₹ 5,123.44 million for the Fiscal 2015, primarily as a result of increase in revenue from Rig 20 and 26 partially offset by decrease in revenue from Rig 23 and Rig 21.

Income from Oil drilling and exploration services

Our revenue from oil drilling and exploration services increased marginally by 9.14% to ₹ 5,575.00 million in Fiscal 2016 from ₹ 5,107.89 million in Fiscal 2015. The increase was primarily due to increase in revenue from Rig 20 at Algeria and Rig 26 at Algeria which was partially offset by decrease in revenue from Rig 27 contracted at Rajasthan, from Rig 23 contracted at Rajasthan by and from Rig 21 contracted at Rajasthan by.

Income from sale of rig accessories, water rigs and allied equipment

Our income from sale of water rigs and allied equipment and sale of rig accessories increased by 10.27 times to ₹ 24.00 million in Fiscal 2016 from ₹ 2.13 million in Fiscal 2016 and decreased by 3.58% to ₹ 12.94 million in Fiscal 2016 from ₹ 13.42 million in Fiscal 2015 respectively.

Other income

Our other income increased by 59.26% to ₹ 39.11 million in Fiscal 2016 from ₹ 24.56 million in Fiscal 2015. The increase was primarily due to refund of interest on income tax amounting to ₹ 14.63 million in Fiscal 2016 against ₹ 4.07 million in Fiscal 2015 and unclaimed liability written back amounting to ₹ 5.42 million

Expenses

Our expenses increased marginally by 4.50% to ₹ 4,856.98 million in Fiscal 2016 from ₹ 4,647.66 million in Fiscal 2015, primarily as a result of an increase in other expenses, depreciation and amortization expense, manufacturing expenses, operating expense for drilling and work over, finance costs of ₹ 128.47 million, ₹ 42.08 million, ₹ 17.41 million, ₹ 12.98 million, ₹ 9.22 million, respectively and partially offset by decrease in employee benefits expenses of ₹ 0.84 million.

Operating expenses for drilling and workover

Our operating expenses for drilling and workover increased marginally by 0.48% to ₹ 2,741.80 million in Fiscal 2016 from ₹ 2,728.82 million in Fiscal 2015, primarily due to increase in rig site expenses, power and fuel expenses and stores and spares expense, which was partially offset by decrease in expenditure towards rig movement. Further, as a percentage of total income, our operating expenses for drilling and workover decreased to 48.52% in Fiscal 2016 from 53.01% in Fiscal 2015.

Increase in rig site expenses in Fiscal 2016 was primarily due to increase in (i) manpower cost by 71.12% to ₹ 628.53 million in Fiscal 2016 from ₹ 367.31 million in Fiscal 2015, due to increase in manpower cost in Algeria due to operation of four Rigs in Fiscal 2016 as compared to two Rigs in Fiscal 2015. (ii) technical fees by 21.72% to ₹150.40 million in Fiscal 2016 from ₹ 123.56 million in Fiscal 2015, primarily as a result of non-routine expenditure in relation to hiring of agency service for obtaining contracts for Rig 16 & Rig 17 in Algeria and (iii) catering and other site expenses by 1.91% to ₹ 463.23 million in Fiscal 2016 from ₹ 454.54 million in Fiscal 2015, primarily as a result of operation of four Rigs in Fiscal 2016 as compared to two Rigs in Fiscal 2015 in Algeria. The increase in rig site expenses was offset by decrease in our expenditure towards equipment rental by 6.87% to ₹ 144.91 million in Fiscal 2016 from ₹ 155.60 million in Fiscal 2015.

There was also an increase in expenditure towards power and fuel, and stores and spares consumed. Expenditure towards power and fuel increased by 44.95% to ₹ 369.29 million in Fiscal 2016 from ₹ 254.77 million in Fiscal 2015 and towards stores and spares consumed increased by 0.61% to ₹ 513.75 million in Fiscal 2016 from ₹ 510.62 million in Fiscal 2015. The increase in expenditure towards power and fuel, and stores and spares consumed was primarily due to decrease in number of contracts with one of the clients who used to bear the cost of high speed diesel.

Our rig movement expenses saw a decrease by 37.83% to ₹ 310.60 million in Fiscal 2016 from ₹ 499.59 million in Fiscal 2015. In Fiscal 2015 Rig 20 and 26 were moved from India to Algeria.

Employee benefit expense

Our employee benefit expenses which includes full-time employment is decreased marginally by 0.14% to ₹ 581.41 million in Fiscal 2016 from ₹ 582.25 million in Fiscal 2015. The decrease was due to reduction in number of employees on year on year basis.

EBITDA

On account of the foregoing, our EBITDA increased by 22.89% to ₹ 1,852.54 million in Fiscal 2016 from ₹ 1,507.51 million in Fiscal 2015.

Finance costs

Our finance costs increased marginally by 1.77% to ₹ 530.01 million in Fiscal 2016 from ₹ 520.79 million in Fiscal

2015.

Depreciation and amortisation expense

Our depreciation and amortisation increased by 8.65% to ₹ 528.46 million in Fiscal 2016 from ₹ 486.38 million in Fiscal 2015. In financial year March 31, 2012, the Company reassessed the useful lives of rigs consequent to the notification specifying the rate of depreciation for rigs under Schedule XIV of the Companies Act, 1956. Accordingly, the written down value of the rigs as at 1st April, 2011 was depreciated over the revised remaining useful lives of rigs considering the life 30 years on the basis of the rate as specified. In the compilation of the restated financial statements, the life of 30 years has been retrospectively applied since the inception of the Company. The resultant change has been applied retrospectively.

Other Expenses

Our other expenses increased by 39.17% to ₹ 456.41 million in Fiscal 2016 from ₹ 327.94 million in Fiscal 2015. Other expenses primarily comprise of rent paid, repairs and maintenance, insurance, travelling and conveyance, communication expenses, rates and taxes, legal and professional fees and expenses, communication expenses and net loss on foreign currency transactions and translation (other than those which are considered finance costs) and other miscellaneous expenses.

Profit before tax

As a result of the foregoing factors, our profit before tax increased by 58.71% to ₹ 794.07 million in Fiscal 2016 from ₹ 500.34 million in Fiscal 2015, which constituted 14.05% and 9.72% of our total income for the Fiscal 2016 and Fiscal 2015, respectively.

Tax Expense

Our total tax expense increased by 206.96% to ₹ 503.54 million in Fiscal 2017 from ₹ 164.04 million in Fiscal 2016, primarily due to an increase in our deferred tax, our current tax liability and MAT credit entitlement.

Profit after tax (Profit for the year)

Our profit after tax in Fiscal 2016 was ₹ 290.53 million, a decrease of 13.61% over our profit for the year in Fiscal 2015 of ₹ 336.30 million. However, as a percentage of our total revenue, there has been a decrease in the profit for the year in Fiscal 2016, from 6.53% in Fiscal 2015 to 5.14% in Fiscal 2016.

INVESTMENTS

We did not have any current investment as at September 30, 2017 and our non-current investments as on September 30, 2017 was ₹ 4.03 million.

LIQUIDITY AND CAPITAL RESOURCES

We finance our working capital requirements and capital expenditures such as expenditure with respect to construction/refurbishment of the drilling and workover rigs, equipment and vehicles, primarily through funds generated from operations, secured and unsecured debt financing from banks and financial institutions.

Cash Flows

The table below summarises principal elements of our cash flows for the periods indicated:

(₹ in million)

Particulars	For the six months period ended September 30, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
Net cash flow generated from operating activities	468.04	1,784.06	1,909.08	1,290.13
Net cash used in investing activities	(145.49)	(1,400.52)	(528.76)	(1,984.62)
Net cash generated/(used) in financing activities	(668.78)	(265.58)	(1,408.53)	780.22
Net increase/(Decrease) in cash and cash equivalents	(345.95)	121.44	(25.32)	85.73

Cash flows from Operating Activities

Six Months period ended September 30, 2017

Net cash generated from operating activities for the six months period ended September 30, 2017 was ₹ 468.04 million although profit before tax was ₹ 166.48 million. The difference was primarily attributable to Adjustment made for depreciation and amortisation expense of ₹ 296.98 million, finance costs of ₹ 266.32 million, decrease in trade receivable of ₹ 42.11 million, decrease in inventories of ₹ 37.30 million and Loans and advances and other current and non–current assets (including other bank balance), of ₹ 26.19 million, which was offset by decrease in trade, other payables and provisions of ₹ 65.75 million,

Fiscal 2017

Net cash generated from operating activities for Fiscal 2017 was ₹ 1,784.06 million while profit before tax was ₹ 1,133.68 million. The difference was attributable primarily to adjustment made for depreciation and amortisation expense amounting to ₹ 513.94 million, decrease in finance costs of ₹ 491.17 million and increase in trade receivables amounting to ₹ 48.77 million, increase in inventories of ₹ 43.26 million and other bank balances of ₹ 30.13 million, which was offset by decrease in loans and advances and other current and non-current assets of ₹ 100.32 million and increase in trade, other payables and provisions ₹108.98 million.

Fiscal 2016

Net cash generated from operating activities for Fiscal 2016 was ₹ 1,909.08 million while profit before tax was ₹ 794.07 million. The difference was attributable primarily to adjustment made for depreciation and amortisation expense of ₹ 528.46 million, decrease in finance costs of ₹ 552.14 million, increase in trade receivables amounting to ₹ 19.08 million, increase in inventories of ₹ 65.87 million and other bank balances of ₹ 47.28 million, which was offset by decrease in loans and advances and other current and non- current assets of ₹ 129.25 million and increase in trade, other payables and provisions of ₹ 138.60 million.

Fiscal 2015

Net cash generated from operating activities for Fiscal 2015 was ₹ 1,290.13 million while profit before tax was ₹ 500.34 million. The difference was attributable primarily to adjustment made for depreciation and amortisation expense of ₹ 486.38 million, decrease in finance costs of ₹ 520.79 million, decrease in trade receivables, amounting to ₹ 199.98 million, decrease in inventories of ₹ 23.08 million, which was offset by increase in other bank balances of ₹ 34.97 million, loans and advances and other current and non-current assets of ₹ 202.19 million and increase in trade, other payables and provisions ₹ 54.07 million.

Cash Flows from Investing Activities

Six Months period ended September 30, 2017

Net cash used in investing activities in the six months period ended September 30, 2017 was ₹ 145.49 million resulting primarily from Purchase of Property Plant Equitment.

Fiscal 2017

Net cash used in investing activities for Fiscal 2017 was ₹ 1,400.52 million resulting primarily due to purchase of property, plant and equipment of ₹ 1,431.67 million, which was offset by proceeds on sale of property, plant and equipment of ₹ 14.48 million and interest income of ₹ 16.67 million.

Fiscal 2016

Net cash used in investing activities for Fiscal 2016 was ₹ 528.76 million resulting primarily from purchase of property, plant and equipment of ₹ 557.12 million, investments in associate company of ₹ 3.61 million which was offset by proceeds on sale of property, plant and equipment of ₹ 13.57 million and interest income of ₹ 18.38 million.

Fiscal 2015

Net cash used in investing activities for Fiscal 2015 was ₹ 1,984.62 million resulting primarily from purchase of property, plant and equipment of ₹ 2012.15 million which was offset by proceeds on sale of property, plant and equipment of ₹ 11.39 million and interest income of ₹ 16.14 million.

Cash Flows from Financing Activities

Six months period ended September 30, 2017

Net cash used in financing activities during the six months period ended September 30, 2017 was ₹ 668.78 million attributable to repayment of loan, payment of finance cost and dividend payment.

Fiscal 2017

Net cash used from financing activities in Fiscal 2017 was ₹ 265.58 million, including proceeds from borrowings of ₹ 323.44 million (net of repayments), partially offset by interest payments of ₹ 499.21 million and dividend payments of ₹ 89.81 million.

Fiscal 2016

Net cash used from financing activities in Fiscal 2016 was ₹ 1,408.53 million, including repayment of borrowings of ₹ (825.78) million (net of repayments), partially offset by interest payments of ₹ 514.06 million and dividend payments of ₹ 68.69 million.

Fiscal 2015

Net cash generated from financing activities in Fiscal 2015 was ₹ 780.22 million, including proceeds from borrowings of ₹ 1,319.36 million (net of repayments), partially offset by interest payments of ₹ 453.81 million and dividend payments of ₹ 85.33 million.

Indebtedness and other contractual obligations

Indebtedness

As at December 31, 2017, our outstanding borrowings, on consolidated basis, aggregated to ₹ 8,188.15 million, including term loans/vehicle loans of ₹ 4,142.06 million, working capital borrowings of ₹ 1,413.67 million and unsecured loan from directors and others of ₹ 172.40 million. The term loans were obtained for funding capital expenditure and other capital expenses and is repayable over a period of 28 months to 120 months. The working capital borrowing is repayable on demand.

Other contractual obligations

As of September 30, 2017, our other contractual obligations included

(₹ in million)

Particulars	Total	Due in 1st year	Due in 2nd to 5th year	Due after 5th year
Trade payables	886.16	886.16	-	-
Other Financial liabilities	201.27	111.16	49.48	40.63
Borrowings	5,710.34	2,644.93	2,161.23	904.18

As of March 31, 2017, our other contractual obligations included

(₹ in million)

Particulars	Total	Due in 1st year	Due in 2nd to 5th year	Due after 5th year
Trade payables	962.66	962.66	-	-
Other Financial liabilities	1,156.26	1,112.75	14.67	28.85
Borrowings	5,047.65	1,454.75	2,547.14	1,045.75

Contingent Liabilities and off-balance sheet arrangements

Contingent liabilities as of September 30, 2017 included the following:

(₹ in million)

Particulars	Amount

Claims not acknowledged as debts:	
Income tax demands disputed in appeals	124.97
Service tax demands disputed in appeals	36.61
Performance guarantees issued to clients	1014.78
Corporate guarantees of USD 20,500,000 given by Holding Company to bank for credit facilities taken by foreign subsidiary	1339.78
Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	103.84

Set forth below is a breakdown of our contractual obligations and commercial commitments as of March 31, 2017, 2016 and 2015:

(₹ in million)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
Income tax demands disputed in appeals	7.95	-	-
Service tax demands disputed in appeals	34.51	34.51	38.55
Performance guarantees issued to clients	1,018.88	1,029.37	967.41
Estimated amount of contracts (net of advances paid) remaining to be executed on capital account and not provided for	50.12	26.89	187.60

For further information, please see "*Financial Statements*" on page 197.

Except as disclosed in our Restated Consolidated Financial Information or in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Off-Balance Sheet Arrangements

Except as set forth above, we do not have any other off-balance sheet arrangements, derivative instruments or other relationships with unconsolidated entities that have been established for the purpose of facilitating off- balance sheet arrangements.

Related Party Transactions

We have entered into transactions with a number of related parties. For further information regarding our related party transactions, please refer to "*Financial Information - Restated Consolidated Financial Information - Restated consolidated financial statements as of and for the six month period ended September 30, 2017, and the year ended March 31, 2017, 2016 and 2015 – Annexure V – Note No. 38*" and "*Financial Information - Restated Consolidated Financial Information - Restated consolidated financial statements as of and for the years ended March 31, 2014 and 2013 – Annexure V – Note No. 33*" on pages 400 and 465 respectively.

Quantitative and Qualitative Disclosure about Market Risk

The Company's activities (including its Subsidiaries) expose it to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures.

A. Market risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company.

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

1. Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company uses derivative financial instruments such as forward foreign exchange contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

2. Interest rate risk management:

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings by the use of interest rate swap contracts.

Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

3. Foreign currency and interest rate sensitivity analysis for swap contracts:

The Company has taken cross currency and interest rate swap (CCIRS) contracts for hedging its foreign currency and interest rate risks related to external commercial borrowings.

This CCIRS contracts are composite contracts for both the foreign currency and interest rate risks and thus the mark-to-market value is determined for both the risks together.

4. Equity price risk:

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Group's investments exposes the Group to equity price risks. In general, these securities are not held for trading purposes.

B. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk is managed by the Group through monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The credit terms are generally based on the terms and conditions mentioned in tender documents bidding through which contracts of revenue are being awarded to the Group. The major customers are generally from the public sector undertakings / government owned companies and private sector oil and gas companies.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. Management is of the view that these financial assets are not impaired as majority of customers are public sector units where no credit risk is perceived. Historically the amount outstanding for more than one year does not exceed 0.45% of the total receivables on the respective reporting date. Accordingly, the management does not anticipate a significant loss on account of time value of money.

C. Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

As a prudent liquidity risk management measure, the Group closely monitors its liquidity position for the Group's short term and long term funding and liquidity requirement.

The Group manages liquidity risk by maintaining adequate balances on hand, banking facilities from both domestic and international banks/ financial institutions, reserve borrowing facilities and continuously monitoring actual cash flow and by matching the maturity profiles of financial assets and liabilities.

Based on past performance and current expectations, the Group believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

For further details regarding quantitative and qualitative disclosure about market risk please see "*Note 41.2 Financial risk management"* in the chapter "*Financial Statements - Restated Consolidated Financial Information*" on page 404.

Changes in Accounting Policies in the last three Fiscals

Except as discussed in this Draft Red Herring Prospectus, there have been no changes in the accounting policies of our Company during the last three fiscals which could have had an effect on our profits and reserves except for our transition to accounting principles under Ind AS which have been discussed under "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Transition from Indian GAAP to Ind AS and its Impact on the Preparation and Presentation of the Restated Financial Statements*" on page 481.

Significant developments after September 30, 2017 that may affect our future results of operations

Our contract with Sonatrach for execution of hydrocarbon well drilling works in Algeria, which contributed 61.50%, 67.84% and 53.62% of our Consolidated revenues from operations for the Fiscal 2017, 2016 and 2015, respectively, has come to end with effect from September 2017 as a result of which our Rigs 16, 17, 20 and 26 which were contracted for the execution of hydrocarbon well drilling works in Algeria are being moved back to India. As on the date of this Draft Red Herring Prospectus, we have entered into letter of agreement for our Rigs 16 and 17. As on the date of this Draft Red Herring Prospectus Rigs 20 and 26 are yet to be contracted and redeployed.

Except as stated above and elsewhere in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Reservations or Qualifications or Matters of Emphasis or Adverse Remarks of Auditors in the last five Fiscals

Our Previous Auditor's reports on our audited unconsolidated financial statements as at, and for the Fiscals 2017, 2016, 2015, 2014 and 2013 do not include any reservations or qualifications or matters of emphasis or adverse remarks.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries have availed loans in the ordinary course of their business for the purposes of meeting working capital requirements and for capital expenditure.

Set forth below is a brief summary of our aggregate indebtedness, on a consolidated basis, as on December 31, 2017:

(*in ₹ million*)

Particulars of borrowing	Sanctioned amount	Outstanding amount
Secured borrowings		
Fund-based facilities		
• Term loans / vehicle loans	7,474.88	4,142.06
• Working capital facilities	1,445.00	1,413.67
Non-fund based facilities		
• Bank guarantee/ Letter of credit/ Stand-by letter of credit	3,331.22	2,289.72
• LER / CEL (limits for hedging)/ FX-PSR	376.10	170.30
Total	12,627.20	8,015.75
Unsecured borrowings	172.40	172.40
Total	**12,799.60**	**8,188.15**

Principal terms of the borrowings availed by our Company:

1. ***Interest:*** The interest levied on our working capital loans and terms loans varies from lender to lender and is usually a certain percentage of spread over and above the base rate of the respective lender. The interest rate on vehicle loans availed by us range from 8.00% p.a. to 11.50% p.a.
2. ***Tenor*****:** The tenor of our working capital facilities typically ranges from 3 months to 12 months, term loans range from 28 months to 120 months. LER (Loan Equivalent Risk) and CEL (Credit Exposure Limit) are renewable every 12 months and vehicle loans range from 36 months to 60 months.
3. ***Security:*** Under our financing arrangements for secured borrowings, we are typically required to create security by way of, amongst others, hypothecation of the current assets, movable assets, fixed assets, both present and future, personal guarantees of our Individual Promoters, corporate guarantee of the Corporate Promoter, hypothecation of the rigs of our Company and mortgage over immoveable properties. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.
4. ***Re-payment:*** The working capital facilities availed by our Company are typically repayable on demand. The repayment period of our term loans and vehicle loans is stipulated in monthly or quarterly instalments.
5. ***Pre-payment***: Some of the term loans and vehicle loans carry a pre-payment penalty of up to 4% or as may be mutually agreed between our Company and the lender. The pre-payment charges on the loans taken by our Company may be subject to further conditions imposed by the lenders based on the financing agreements entered into with them.
6. ***Penalty***: In the event of default in relation to borrowings availed by our Company, penal interest is generally up to 2% p.a. of the sanctioned facility amount or the amount outstanding or as may be applicable, based on the nature of event triggering the penalty.
7. ***Restrictive covenants***: Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take the prior approval or prior written consent of the lender before carrying out such activities, without which, it would result in an event of default under the financing arrangements. For instance, certain actions prior to which our Company is required to obtain written consent of the lenders include:

   (i) to enter or undertake or permit any scheme of expansion, merger, demerger, amalgamation, consolidation, compromise or reconstruction;

   (ii) to permit any change in our Company's ownership or control or constitution or shareholding or the management or majority of directors or partners;

   (iii) to declare or pay any dividend for any year except out of the profits relating to that year after making all due and necessary provisions and provided further that no default has occurred in any repayment obligations;

(iv) to make any change to/in our Company's constitutional documents or material amendments in the memorandum and articles of association;
(v) to induct or continue with a director who is on the board of a company that has been declared as a wilful defaulter as per the RBI guidelines;
(vi) to undertake any guarantee obligation on behalf of any other company;
(vii) to effect any change in the capital structure of our Company;
(viii) to make any investments whether by way of deposits, loans, or investments in share capital or otherwise;
(ix) to change the accounting method or policies currently followed by our Company;
(x) sell, mortgage or otherwise dispose off any of the fixed assets charged to the lender; and
(xi) to pay any commission to our Promoters, Directors, managers or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability incurred by our Company.

Our Company has received consents from its lenders for doing the above acts with respect to the Offer, as applicable.

8. ***Events of Default:*** Our Company's financing arrangements specify the occurrence of certain events as events of default, some of which are listed below-

(i) false, incorrect or misleading representation, statement or warranties by our Company under the financing agreements and/or in relation to facilities;
(ii) failure to observe or comply with any of the terms and conditions of the facility documents;
(iii) default in payment of principal sums, interests or any other monies with respect to the loans availed;
(iv) if a receiver is appointed in respect of the whole or any part of the property/assets of our Company;
(v) if our Company ceases threatens to cease or carry on its business;
(vi) if it is certified by an accountant or firm of accountants appointed by the lender that the liabilities of our Company exceed our assets or that our Company is carrying on business at a loss;
(vii) cross-defaults;
(viii) the occurrence of any event or condition which, in the Bank's opinion, constitutes or could constitute a material adverse effect on our Company or its assets; and
(ix) any other condition which in the opinion of the lender would deteriorate, impair or result in a decline or depreciation in value security charged in favour of the lender.

In case of the occurrence of an event of default, the lender shall have the right to, *inter alia*, declare that its obligations to make further advances be cancelled, declare all dues and other obligations immediately due and payable, enforce the rights over the security provided, exercise any or all rights and recourses provided under the agreements and exercise all other remedies as available by law, as the case may be.

The lists of restrictive covenants and events of default mentioned above are indicative and there are additional terms that may amount to an event of default under the various financing arrangements entered by us.

For further details in relation to the financial indebtedness of our Company and Subsidiaries, see the sections titled "*Financial Statements* on page 197 respectively.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) Material Litigation (as detailed hereinafter), in each case involving our Company, our Subsidiaries, our Promoters and our Directors, (iv) any litigation involving our Company, our Promoters, our Directors, our Subsidiaries or any other person whose outcome could have a material adverse effect on the position of our Company; (v) outstanding claims involving our Company, Subsidiaries, Directors or Promoters for any direct or indirect tax liabilities; (vi) outstanding dues to creditors of our Company as determined to be material by our Board in accordance with the SEBI ICDR Regulations; and (vii) dues to small scale undertakings and other creditors.

For the purpose of 'Material Litigation' in (iii) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed in this Draft Red Herring Prospectus:

Monetary threshold for civil litigation: Civil litigation against the Company, the Subsidiaries, the Promoters or the Directors or having any bearing on the Company or the Subsidiaries before any judicial forum and involving an amount not exceeding 2.00 % of the profit after tax i.e. total comprehensive income of our Company, on a consolidated basis as at the end of financial year 2017 which is ₹ 13.79 million shall not be considered material. However, in the event of civil litigation wherein a monetary liability is not quantifiable, such litigation shall be considered as material only in the event that the outcome of such litigation has a bearing on the operations or performance of the Company or the Subsidiaries.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, Subsidiaries, Directors or Promoters shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company, Subsidiaries, Directors or Promoters, as the case may be, is impleaded as defendant or respondent in litigation proceedings before any judicial forum.

Our Board considers dues owed by our Company to creditors exceeding 1.00% of consolidated trade payables, i.e.₹ 9.63 million on a consolidated basis as at the end of the latest annual audited restated financial statements as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution dated January 22, 2018.

Further, except as stated in this section, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or Subsidiaries in the five years preceding the date of this Draft Red Herring Prospectus, (ii) fines imposed or compounding of offences against our Company or Subsidiaries, in the five years preceding the date of this Draft Red Herring Prospectus (iii) material frauds committed against our Company in the five years preceding the date of this Draft Red Herring Prospectus; (iv) proceedings initiated against our Company for economic offences, (v) defaults in respect of dues payable; and (vi) litigation or legal actions against our Promoters by any ministry or government department or statutory authority during the five years immediately preceding the date of this Draft Red Herring Prospectus.

All terms defined in a particular litigation pertain to that litigation only.

LITIGATION INVOLVING OUR COMPANY

I. Litigation against our Company

<u>Criminal Proceedings</u>

1. Sushma Kushwah, Dhiru Kushwah, Jyoti Kushwah, Shalini Kushwah and Sakshi Kushwah ("**Claimants**"), had filed an application no. 06 of 2015, dated June 24, 2015 against Bharatjeet Thakur, our Company and the New India Insurance Company Limited (together the "**Defendants**"), before the Motor Accident Claims Tribunal, Budhar, Shahdol. The Claimants have alleged that the negligent driving of Bharatjeet Thakur, who was driving a vehicle owned by the Company at the time, had caused the death of her husband Pyarelal Kushwah on January 31, 2015. The Claimants have claimed ₹ 3.35 million from the Defendants towards inter alia loss of source of income, mental shock suffered by the Claimants and recovery of funeral and other such costs involved. The matter is currently pending.

Civil Proceedings

1. The Labour Enforcement Officer (Central), Ahmedabad has filed a complaint case no. 5958/2012, dated November 27, 2012, against our Company, before the Chief Judicial Magistrate, Gandhinagar, alleging irregularities such as non-display of certain notices, failure to maintain register of employed persons, non-issuance of employment cards and failure to display the relevant rules in English and Hindi. The matter is currently pending.

2. Dewanchand Ramsaran Industries Private Limited (the "**Plaintiff**") filed a commercial suit bearing no. 47 of 2015 (the "**Suit**"), dated February 3, 2015 against our Company, IL&FS Financial Services Limited (the "**Defendant No. 2**"), IL&FS Trust Company Limited (the "**Defendant No. 3**"), ICICI Bank Limited (the "**Defendant No. 4**"), Gopal Makad, Shorilal Makad, Rajesh Makad, Dewanchand Ramsaran Trading Private Limited and Dewanchand Ramsaran Corporation Private Limited (collectively the "**Defendants**"), before the High Court of Bombay, Mumbai.

   The Plaintiff, imported certain drilling rigs, i.e. rig nos. VIII, IX, X and XI, by availing financial facilities from Defendant No. 4. By way of suit bearing no. 2837 of 2010 ("**Suit of 2010**"), Defendant No. 2 had brought recovery claims against the Plaintiff in relation to obligation arising out of certain shareholders and options agreement entered into between the Plaintiff, the Defendant No. 2 and others. Defendant No. 2 in the Suit of 2010 had inter alia prayed for attachment of properties of the Plaintiff. Later, Defendant No. 2 with Defendant No. 4, had settlement talks with the Plaintiff and by way of an investment proposal it was agreed that the Plaintiff will transfer ownership of rigs VIII, IX, X and XI to our Company. Pursuant to interim agreement dated May 27, 2011 ("**Investment Agreement**"), our Company would take complete control over rig no. VIII and rig no. XI and will take possession of rig no. IX and rig no. X, upon execution of definitive agreements. Defendant No. 2 and Defendant No. 4 presented consent terms on September 28, 2011 ("**Consent Terms**"), to settle the Suit of 2010 and our Company was made party to such Consent Terms. As per the Consent Terms, our Company was given an option to purchase rig no. IX by paying a consideration of USD 17.00 million to Defendant No. 4 and USD 235.00 million to Defendant No. 2 and Defendant No. 3.

   The Plaintiff in the Suit has alleged that our Company has failed to perform obligation under the Investment Agreement and the Consent Terms and has inter alia brought claims as below:

   (i) Our Company to perform its obligations under the Investment Agreement and the Consent Terms and pay a consideration of USD 17.00 million to Defendant No. 4 and USD 235.00 million (aggregating to total ₹ 16,470.72 million as per the US$ rate of conversion as on September 30, 2017) to Defendant No. 2 and Defendant No. 3, along with interest as provided;
   (ii) Without prejudice and in the alternative and in the event the above relief is not granted, the Company, Defendant No. 2, Defendant No. 3 and Defendant No. 4 be ordered to pay ₹ 1,289.66 million as damages for the breach of the Investment Agreement and the Consent Terms;
   (iii) Without prejudice and in the alternative and in the event the relief in (i) above is not granted, the Company, Defendant No. 2, Defendant No. 3 and Defendant No. 4 be ordered to pay ₹ 1,014.98 million as restitution for the loss suffered by the Plaintiff;
   (iv) The Company to pay an amount of ₹ 1,014.98 million, and interest thereon, towards its obligations to buy rig no. XI and rig no. VIII;
   (v) In alternative to (i) and (ii) above, the Company to handover possession of the rig no. IX

   In the written statement dated June 12, 2017 filed by our Company, we have submitted that the Suit is barred by limitation. Our Company has denied claims made by the Plaintiff in light of fact that no sale deed has been executed for purchase of rig no. IX and that rig no. IX is not in possession of the Company. The matter is currently pending before the High Court of Bombay.

   In original suit bearing number 258 of 2014 filed by ICICI Bank Limited against Dewanchand Ramsaran Industries Private Limited and the partners of the erstwhile M/s. Dewnachand Ramsaran, before the High Court of Bombay, ICICI Bank Limited has brought a claim for creation of additional security for debt of Dewanchand Ramsaran Industries Private Limited and our Company has been added as a noticee. A third-party notice bearing number 16 of 2014 dated July 31, 2014 ("**Third Party Notice**") has been filed by Dewanchand Ramsaran Industries Private Limited stating that our Company is liable to pay a consideration of USD 17.00 million to ICICI Bank Limited and USD 235.00 million to IL&FS Financial Services Limited and IL&FS Trust Company Limited, and has requested the appearance of our Company in the next date of hearing in the matter. Our Company has filed an affidavit dated January 16, 2015 in reply to the Third Party Notice and has duly submitted that since there are no obligations on the Company, no suit can be brought against the Company. The matter is currently pending before the High Court of Bombay.

II. Tax proceedings

Direct Tax

S. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in million)
1.	Income Tax	16	148.74
	Total	16	148.74

Indirect Tax

S. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in million)
1.	VAT	4	18.52
2.	Service Tax	5	53.06*
	Total	9	71.58*

**Amount to the extent quantifiable*

III. Litigation filed by our Company

Criminal Proceedings

1. Nil

Civil Proceedings

1. Our Company has filed a special civil suit bearing no. 210/11 dated December 17, 2011, against Hydro Carbon Resources Development Private Limited, Wellflow Drilling Services WLL and its chairman Paul Kesterton (collectively the "**Defendants**") before the Court of Principal Senior Civil Judge, Mehsana. Our Company has claimed ₹ 26.41 million from the Defendants on account of their failure to pay the consideration amount as agreed in the agreement dated December 4, 2006, that was entered into between the Company and Hydro Carbon Resources Development Private Limited. The Company has submitted that the claim amount of ₹ 26.41 million is towards an outstanding payment for the services of deploying rigs and executing the drilling program that were provided by the Company to Hydro Carbon Resources Development Private Limited based on the contract between them. Written statements on behalf of Wellflow Drilling Services WLL and its chairman Paul Kesterton were filed on March 1, 2012. The matter is currently pending.

IV. Details of dues to creditors and small scale undertakings

As of September 30, 2017, we had 655 creditors. The aggregate amount outstanding to such creditors as on September 30, 2017 was ₹ 886.16 million. For further details, see http://www.johnenergy.com/Material%20Creditors.pdf.

As per the materiality policy of our Board approved vide their resolution dated January 22, 2018, creditors to whom an amount exceeding 1.00% of the consolidated trade payables, as per the Restated Consolidated Financial Information for Fiscal 2017, is owed shall be considered 'material'. Accordingly, the creditors to whom an amount exceeding ₹ 9.63 million was owed as on September 30, 2017, are considered 'material' creditors. Based on the above, there are 22 material creditors of the Company as on September 30, 2017, to whom an aggregate amount of ₹ 464.78 million was outstanding on such date.

In relation to outstanding dues to any party which is a small scale undertaking ("**SSI**") or a Micro Small and Medium Enterprises ("**MSME**"), our Board has approved that the disclosure will be based on information available with our Company regarding status of the creditors as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, and accordingly, we have disclosed consolidated information of outstanding to such identified SSI/MSMEs separately giving details of number of such cases. Based on information available with the Company, there are no outstanding as on September 30, 2017 towards any micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

V. Inquiries, investigations etc. instituted under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted against our Company, prosecutions filed (whether pending or not) under the Companies Act in the last five years immediately preceding the year of issue of this Draft Red Herring Prospectus.

VI. Fines imposed or compounding of offences under the Companies Act

Other than as disclosed below, there are no fines that have been imposed on our Company or compounding of offences committed by our Company under the Companies Act in the last five years immediately preceding the year of issue of this Draft Red Herring Prospectus.

1. The Company had applied to the Company Law Board, Mumbai ("**CLB**") on June 14, 2011, an application for condonation of delay in filing Form 23, with the RoC, as return for alteration of its memorandum of association done in December 2009. The CLB, vide order dated October 21, 2011 ("**Order**") approved for condonation of delay and the Company received the Order only after the time for filling stipulated in the Order. On application for further condonation in delay, the CLB passed an order on May 27, 2014 allowing further condonation and the Company filed above mentioned Form 23 with the RoC after payment of ₹ 3,000, as fine.

2. The Company had applied to the Regional Director, Ahmedabad ("**Director**") on March 27, 2017 ("**Compounding Application**") for condonation of delay in filing Form CHG-1 with the RoC, as return for creation of charge by availing external commercial borrowing for an amount of ₹ 731.06 million from ICICI Bank Limited in September, 2015. The Company then filed the said Form CHG-1 with the RoC with a delay of 517 days and the Director by way of its order dated April 18, 2017, approved the Compounding Application and the Company paid a fine of ₹ 15,000.

VII. Material Fraud against us in the last five years

No material frauds have been committed against our Company and Subsidiaries in the last five years immediately preceding the date of this Draft Red Herring Prospectus.

VIII. Pending proceedings initiated against our Company for economic offences

Other than the tax proceedings disclosed in the section titled "*Outstanding Litigation and Material Developments – Litigation involving our Company – Tax Proceedings*" on page 511, there are no proceedings initiated against our Company for any economic offences.

IX. Non-payment of statutory dues

Other than as disclosed in the Restated Standalone Financial Information of our Company, as on September 30, 2017 there are no outstanding defaults in relation to statutory dues payable, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financials institution (including interest).

X. Material Developments

Except as stated in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operation*s" on page 476**,** there have not arisen, since the date of the last Restated Financial Statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

LITIGATION INVOLVING OUR DIRECTORS

Except as disclosed below and elsewhere in this section, none of our Directors are involved in any criminal proceedings, actions by regulatory and statutory authorities or any Material Litigation:

I. Litigation filed against our Directors

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings or any Material Litigation brought against any of our Directors.

II. Litigation filed by our Directors

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings or any Material Litigation brought by any of our Directors.

III. Tax Proceedings

Except as disclosed below, there are no direct or indirect tax proceedings involving our Directors.

S. No.	Type of Tax	No. of Cases	Amount in dispute/ demanded (₹ in million)
1.	Income Tax	19	29.88
Total		**19**	**29.88**

LITIGATION INVOLVING OUR PROMOTERS

Other than as stated below and elsewhere in this section, our Promoters are not involved in any criminal proceedings, actions by regulatory and statutory authorities or any Material Litigation:

I. Litigation involving our Promoters

A. Maheshkumar N. Vyas

There are no outstanding civil or criminal litigation proceedings involving Maheshkumar N. Vyas.

B. Dilipkumar N. Vyas

There are no outstanding civil or criminal litigation proceedings involving Dilipkumar N. Vyas.

C. John Oil and Gas Limited

There are no outstanding civil or criminal litigation proceedings involving John Oil and Gas Limited.

II. Tax Proceedings

Except for disclosed below, there are no direct or indirect tax proceedings involving our Promoters.

S. No.	Type of Tax	No. of Cases	Amount in dispute/ demanded (₹ in million)
1.	Income Tax	22	61.38
Total		**22**	**61.38**

III. Litigation or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last five years.

Other than as disclosed in this section, there are no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last five years immediately preceding the year of the issue of this Draft Red Herring Prospectus and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

1. A demand notice dated July 16, 2015 had been issued by Assistant Commissioner of Income Tax, Mehsana ("**ACIT**") to Maheshkumar N. Vyas requiring payment of ₹ 34,690 under section 143(3) of the Income Tax Act,1961 pursuant to disallowance of certain interest expenses and corresponding increase in the assessable income of Maheshkmar N. Vyas. This amount was subsequently paid by Maheshkumar N. Vyas on October 21, 2015.

LITIGATION INVOLVING OUR SUBSIDIARIES

I. Outstanding criminal proceedings involving our Subsidiaries

Nil

II. Tax Proceedings against our Subsidiaries

Nil

III. Material outstanding litigation involving our Subsidiaries

Nil

IV. Inquiries, investigations etc. instituted under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted against our Subsidiaries under the Companies Act, prosecutions filed (whether pending or not) in the last five years immediately preceding the year of issue of this Draft Red Herring Prospectus.

V. Fines imposed or compounding of offences

There are no fines that have been imposed on our Subsidiaries or compounding of offences done by our Subsidiaries in the last five years immediately preceding the year of issue of this Draft Red Herring Prospectus.

LITIGATION INVOLVING ANY OTHER PERSONS THAT MAY HAVE A MATERIAL ADVERSE EFFECT ON OUR COMPANY

There is no pending litigation involving any other persons that may have a material adverse effect on our Company.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary material consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, no further material approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Offer and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Offer or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal frame work applicable to us, see "*Key Regulations and Policies*" *beginning on page* 155*.*

I. Approvals in relation to the Fresh Issue and Offer for Sale

For details of corporate and other approvals obtained in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 516.

II. Approvals relating to our business and operations

We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities which include, relevant shops and establishment legislations, registration of contract labour employed at our project sites and our workshop, registration of employees, factories and establishments under the Employees State Insurance Act, 1948, the Employees Provident Fund and Miscellaneous Provisions Act, 1952, the Factories Act, 1948, registration under the Central Goods and Services Tax Act, 2017, environmental approvals including consent to operate under the Air (Prevention and Control of Pollution) Act, 1981, consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and tax related approvals like registration of drilling rig carrying vehicles under the relevant state motor vehicles tax legislation. In addition to these, our customers may require various approvals, sanctions, licenses, registrations and permissions including environmental clearances in connection with the projects for which we are engaged, in India and outside India.

We have obtained necessary consents, licenses, registrations, permissions and approvals from the governmental and regulatory authorities that are required for carrying on our present business. In the event, that any of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we apply for their renewal from time to time.

Our Company has received all the crucial licenses, permissions and approvals from required competent authorities which are necessary for commencement of the activity for which the Net Proceeds are proposed to be utilised.

III. Approvals and Renewals applied for but not received

We have made applications to the relevant central or state government authorities for grant of certain material approvals, licenses, registrations and permits that are required to be obtained by us for undertaking our business or are in the process of making such applications. Details of such pending approvals are set out below:

1. Application dated November 16, 2017 to the Gujarat Pollution Control Board, under the Water Act 1974, the Air Act 1981 and the Environment (Protection) Act 1986 for grant of consent to establish for manufacturing unit situated at 220, GIDC Estate, Mehsana, Gujarat.

IV. Approvals and Renewals required and not applied for

There are no consents, licenses, registrations, permissions and approvals for which applications are yet to be made by the Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by a resolution of the Board passed at their meeting held on December 22, 2017 and the Shareholders have approved the Fresh Issue by a special resolution passed in accordance with section 62 of the Companies Act, 2013, at the EGM held on January 22, 2018.

The Selling Shareholders are offering up to 1,677,744 Equity Shares as a part of the Offer for Sale. The Selling Shareholders have also confirmed that they are the legal and beneficial owners of the Equity Shares being offered under the Offer for Sale. The Offer for Sale has been authorised by the Selling Shareholders as follows:

Sl. No.	Name of the Selling Shareholder	Number of Equity Shares offered	Date of the consent letter
1.	India Rig Company	800,000	December 15, 2017[1]
2.	IL&FS Financial Services Limited	579,830	January 9, 2018 [2]
3.	Kalpraj Damji Dharamshi (jointly with Hina Kalpraj Dharamshi)	218,085	December 9, 2017
4.	Nilesh S. Shah	10,750	February 1, 2018
5.	Shah Vinaben Rashmikant (jointly with Shah Rashmikant Navnitlal)	10,638	December 8, 2017
6.	Dr. Jehangir Sorabjee	10,638	December 12, 2017
7.	Chetan R Shah	9,750	December 9, 2017
8.	Ushma Sheth Sule	7,400	December 15, 2017
9.	Dalal Niraj Deepak (jointly with Dalal Sadhana Deepak)	7,400	December 14, 2017
10.	Amit Himatlal Shah	5,878	December 11, 2017
11.	Vinay Gopalakrishnan Nair	4,450	December 11, 2017
12.	Nirbhay Mahawar	3,750	December 11, 2017
13.	Chetan R. Shah (HUF)	3,191	December 9, 2017
14.	Sunil Singh	2,128	December 13, 2017
15.	Naren R. Shah	1,872	December 13, 2017
16.	Salonee A. Sanghvi	1,500	December 9, 2017
17.	Shah Rashmikant Navnitlal (jointly with Shah Vinaben Rashmikant)	484	December 8, 2017

(1) *The Offer for Sale has been authorised by the board of directors of India Rig Company vide their resolution dated December 15, 2017.*

(2) *The Offer for Sale has been authorised by the board of directors of IL&FS Financial Services Limited vide their resolution dated January 4, 2018.*

Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Except for the approval for the offer for sale of 10,750 Equity Shared by Nilesh S. Shah, the Board has taken on record the approval of the Offer for Sale by the Selling Shareholders in their meeting held on January 22, 2018. The Board took on record the approval of offer for sale of 10,750 Equity Shares held by Nilesh S. Shah, in their meeting held on February 15, 2018. This Draft Red Herring Prospectus has been adopted by the Board in their meeting held on February 15, 2018.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group or our group companies have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Each of the Investor Selling Shareholders severally and not jointly confirms that such Investor Selling Shareholder, has not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoters or Directors are or were associated as promoters, directors or persons in control have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors or the entities that our Directors are associated with are engaged in or associated with the securities market, in any manner, or are registered with SEBI.

There has been no action taken by the SEBI against our Directors or any entity in which our Directors are involved in as promoters or directors.

The listing of any securities of our Company or our Subsidiaries has never been refused at any time by any of the stock exchanges in India or abroad.

Prohibition by RBI

Neither our Company, nor our Promoter, relatives of our Promoters, Directors, group companies, nor the Selling Shareholders have been categorized as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations, as set forth below:

- 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% are held in monetary assets;

- Our Company has a minimum average pre-tax operating profit of ₹ 150.00 million, calculated on a restated standalone and consolidated basis, during the three most profitable financial years out of the immediately preceding five financial years;

- Our Company has a net worth of at least ₹ 10 million on a standalone and consolidated basis in each of the three preceding full financial years (of 12 months each);

- The aggregate of the proposed Offer size and all previous issues in the same financial year in terms of the Offer size does not exceed five times the pre - Offer net worth of our Company as per the audited balance sheet of our Company of the preceding financial year; and

- Our Company has not changed its name in the last one year.

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets and monetary assets as a percentage of net tangible assets are derived from the restated standalone financial statements as well as restated consolidated financial statements as at, and for the financial years ended March 31, 2017 March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are set forth below:

As per Restated Standalone Financial Information

(*In ₹ million, unless otherwise specified*)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-Tax Operating Profit (1)	1,159.58	867.46	735.86	1,236.01	1,018.85
Net Worth (2)	5,114.93	4,809.41	4,895.04	5,038.82	4,672.62
Net Tangible Assets (3)	6,485.32	6,091.74	5,994.79	5,936.76	5,440.28
Monetary Assets (4)	770.49	613.94	523.83	487.34	330.91
Monetary assets as a percentage of the net tangible assets	11.88	10.08	8.74	8.21	6.08

As per Restated Consolidated Financial Information

(*In ₹ million, unless otherwise specified*)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Pre-Tax Operating Profit (1)	1,574.92	1,284.97	996.57	1,238.81	1,032.00
Net Worth (2)	5,925.00	5,325.13	5,092.63	5,054.70	4,687.89
Net Tangible Assets (3)	7,295.30	6,607.36	6,192.28	5,952.56	5,455.48
Monetary Assets (4)	790.53	637.96	619.54	496.23	331.96
Monetary assets as a percentage of the net tangible assets	10.84	9.66	10.01	8.34	6.08

Notes

1. *Pre-tax operating profit has been calculated as restated net profit before tax excluding other income and finance cost, each on a restated basis.*

2. *'Net worth' means the aggregate of the paid up share capital, share premium account, and other equity (for the years ended as at 31 March 2017, 31 March 2016 and 31 March 2016) / reserves and surplus (for the years ended as at 31 March 2015 and 31 March 2014), excluding revaluation reserve, as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account, each on a restated basis.*

3. *'Net tangible assets' means sum of the total assets of the Company excluding deferred tax assets (net) and intangible assets as defined in Ind AS 38 and Accounting Standard 26 (as applicable) issued by the Institute of Chartered Accountants of India, deducted by total non-current liabilities and current liabilities excluding deferred tax liabilities (net), each on a restated basis.*

4. *Monetary assets include cash and cash equivalents, other bank balances and interest accrued thereon, each on a restated basis.*

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 failing which the entire application monies shall be refunded forthwith in terms of Companies Act 2013, SEBI ICDR Regulations and any applicable laws.

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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, IDFC BANK LIMITED AND KEYNOTE CORPORATE SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THEIR RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED BY WAY OF 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 HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 15, 2018 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 15, 2018 PERTAINING TO THE SAID OFFER.**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**

    a. **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

    b. **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER 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 OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AS AMENDED (THE "SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID;**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES**

AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS - COMPLIED WITH AND NOTED FOR COMPLIANCE

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS" CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

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 OF THE EQUITY SHARES OF THE COMPANY; AND**

    b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. - NOTED FOR COMPLIANCE**

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - COMPLIED WITH

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR. -COMPLIED WITH

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 AND IND AS 24 (AS APPLICABLE), IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS, AS CERTIFIED BY B. R. SHAH & ASSOCIATES, CHARTERED ACOUNTANTS PURSUANT TO ITS CERTIFICATE DATED FEBRUARY 15, 2018

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). – NOT APPLICABLE

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve any of the Selling Shareholders from any liabilities to the extent of the statements made by each of them in respect of their proportion of the Equity Shares offered by such Selling Shareholders, as part of the Offer for Sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer have been complied with by the respective parties at the time of filing of this Draft Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with by the respective parties at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs

Our Company, our Directors, and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.johnenergy.com, would be doing so at his or her own risk.

Each of the Investor Selling Shareholders, their respective directors and officers accept/undertake no responsibility for any statements made by any other Investor Selling Shareholder other than those made in relation to them and to the Equity Shares offered by them respectively, by way of the Offer for Sale in the Offer.

Each of the Other Selling Shareholders accept/undertake no responsibility for any statements made by any Other Selling Shareholder other than those made in relation to them and to the Equity Shares offered by them respectively, by way of the Offer for Sale in the Offer.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders (in respect of themselves and the Equity Shares offered by such Selling Shareholders in the Offer for Sale) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoters, Promoter Group and the Selling Shareholders and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, Promoter Group and the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Price information of past issues handled by the BRLMs

A. IDFC Bank Limited

Table 1: Price information of past issues during current financial year and two financial years preceding the current financial year handled by IDFC Bank Limited:

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
1.	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [5.34%]
2.	Shankara Building Products Limited	3,450.01	460.00	April 05, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	214.30% [5.08%]
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2,725.00	50.07% [0.57%]	97.90% [3.63%]	Not Available
4.	The New India Assurance Company Limited	95,858.23	800.00*	November 13, 2017	748.90	-27.66% [0.59%]	-8.29% [3.84%]	Not Available
5.	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40% [0.06%]	-6.47% [3.47%]	Not Available
6.	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.88% [2.11%]	Not Available
7.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	Not Available	Not Available
8.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	674.00	3.26% [3.48%]	Not Available	Not Available
9.	Newgen Software Technologies Ltd	4,246.21	245.00	January 29, 2018	253.00	Not Available	Not Available	Not Available
10.	Amber Enterprises India Ltd	5,995.74	859.00**	January 30, 2018	1,180.00	Not Available	Not Available	Not Available

** The offer price was ₹ 770.00 per equity share after a discount of ₹ 30.00 per equity share to retail individual bidders and eligible employees.*
*** The offer price was ₹ 774.00 per equity share after a discount of ₹ 85.00 per equity share to eligible employees.*

Notes:

i. *Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.*
ii. *NSE was the designated stock exchange for the IPOs listed as item 1,5,6 & 7 and BSE was the designated stock exchange for the IPOs listed as item 2,3,4,8,9 & 10. Therefore, price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.*
iii. *In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.*
iv. *Since 30, 90 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.*

Table 2: Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by IDFC Bank Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	9	219,468.50	-	1	2	2	1	1	-	-	-	1	-	-
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-
2015-2016**	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**As on the date of DRHP*

*** From October 21, 2015, the date of registration under SEBI (Merchant Banker) Regulations 1992,*

Notes:

i. Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.

ii. The discount/premium has been/will be calculated based on the closing stock price.

Since 30 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.

B. Keynote Corporate Services Limited

Table 1: The price information of past issues handled by the Keynote Corporate Services Limited is as follows:

Sr. No.	Issue Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/-% change in closing price,[+/-% change in closing benchmark]-30^{th} calendar days from listing	+/-% change in closing price,[+/-% change in closing benchmark]-90^{th} calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180^{th} calendar days from listing
1.	Shree Pushkar Chemicals and Fertilizers Limited	700.00	65.00	September 10, 2015	60.05	12.69%, [4.56%]#	44.57%, [-2.25%]	81.84%, [-3.89%]
2.	Perfect Infraengineers Limited (SME Platform – NSE EMERGE)	57.68	23.00	November 20, 2015	26.00	-7.97%, [-0.28%]#	-35.26%, [-8.07%]#	-25.70%, [-0.93%]#
3.	Steel City Securities Limited (SME Platform – NSE EMERGE)	269.94	55.00	February 17, 2017	55.00	35.13%, [3.46%]#	23.95%, [6.89%]	94.12%, [12.37%]#

Since the scrip were not traded on the 30^{th}/ 90^{th} / 180^{th} day, the closing price data of the scrip and the benchmark index of the next trading day has been taken into consideration.

Table 2: Summary statement of price information of past issues handled by Keynote Corporate Services Limited if as follows:

Financial Year	Total no. of IPOs	Total Amount of Funds Raised (in ₹ Million)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	1	269.94	Nil	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
2015-16	2	757.68	Nil	Nil	1	Nil	Nil	1	Nil	1	Nil	1	Nil	Nil

Track record of past issues handled by BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs, as set forth in the table below:

Sl. No.	Name of the BRLM	Website
1.	IDFC Bank Limited	https://www.idfcbank.com/wholesale-banking/investment-banking/track-record-disclaimer.html
2.	Keynote Corporate Services Limited	www.keynoteindia.net

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to eligible non-residents including Eligible NRIs and FPIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, its Subsidiaries or the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the United States Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) within India, to Indian institutional, non-institutional and retail investors in offshore transactions, as defined in and in reliance on Regulation S ("Regulation S") under the United States Securities Act of 1933, as amended (the "Securities Act"); and (ii) outside the United States of America and India, to institutional investors in offshore transactions in reliance on Regulation S under the Securities Act.

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.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Unit No. 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opposite Nehru Bridge Ashram Road, Ahmedabad – 380 009, Gujarat.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies, Gujarat at Ahmedabad located at ROC Bhavan , Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat, India.

Listing

Applications shall be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholders may forthwith repay (in proportion to the Equity Shares offered by each of them respectively, in the Offer), all monies received from the applicants in pursuance of this Draft Red Herring Prospectus as required by applicable law. If such money is not repaid within the prescribed time after our Company and the Selling Shareholders become liable to repay it, then our Company and every Director of our Company who is an officer in default shall, on and from the expiry of such period, be liable to repay the money, with interest as prescribed under the applicable laws. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent such delay has been caused solely by such Selling Shareholder.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within six Working Days of the Bid/Offer Closing Date. The Selling Shareholders confirm that they shall provide assistance to our Company and the BRLMs, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.*"

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal advisors, lenders to our Company, Bankers to our Company; (b) Selling Shareholders; and (c) the BRLMs, the Syndicate Members, the Public Offer Bank(s), the Escrow Collection Bank(s), Refund Bank and the Registrar to the Offer to act in their respective capacities, have been obtained/will be obtained prior to filing of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with RoC.

Our Company has received written consent dated February 15, 2018 from our Statutory Auditor, namely, B S R & Associates LLP for inclusion of their reports, dated January 31, 2018 on the Restated Standalone Financial Information and the Restated Consolidated Financial Information in this Draft Red Herring Prospectus and to include their name as required under section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated February 15, 2018 in the form and context in which it appears in this Draft Red Herring Prospectus.

Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus for filing with SEBI.

Experts

Our Company has received written consent dated February 15, 2018 from our Statutory Auditor, namely, B S R & Associates LLP, to include its name as required under section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to its examination reports, dated January 31, 2018 on the Restated Standalone Financial Information and the Restated Consolidated Financial Information and the Statement of Tax Benefits dated February 15, 2018 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated January 18, 2018 from the chartered engineer namely, Mukesh M Shah, to include their name as an expert under section 26 read with Section 2 (38) of the Companies Act, 2013 in this Draft Red Herring Prospectus in connection with his certificate dated January 18, 2018 issued in relation to the key performance indicators our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Offer Expenses

The expenses of the Offer include, among others, underwriting and management fees, selling commissions, bidding charges, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees, filing, auditor's fees and listing fees. For further details of Offer related expenses, see the section titled "*Objects of the Offer*" on page 101.

The Offer related expenses will be shared between our Company and the Selling Shareholders on a pro-rata basis in proportion of the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Selling Shareholders in the Offer for Sale.

Fees Payable to Syndicate

The total fees payable to Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement, a copy of which will be available for inspection at the Registered Office. For details, see the section titled "*Objects of the Offer*" on page 101.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see the section titled "*Objects of the Offer*" on page 101.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholders to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated February 15, 2018 entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which is available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to Registrar to the Offer to enable it to send refund in any of the modes described in the Red Herring Prospectus or Allotment advice by registered post/speed post. For details, see the section titled "*Objects of the Offer*" on page 101.

Each Selling Shareholder will reimburse our Company for the expenses incurred in proportion to the Equity Shares sold by such Selling Shareholders in the Offer for Sale.

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is an initial public offering of our 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 Equity Shares since inception of our Company.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is an initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous issues of the Equity Shares otherwise than for cash

Except as disclosed in the section titled "*Capital Structure*" on page 83, our 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 subsidiaries of our Company

Our Subsidiaries are not listed on any stock exchange nor have they undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed group companies and subsidiaries of our Company

Our Company and Subsidiaries have not undertaken any previous public or rights issue. Our Subsidiaries have not undertaken any public or rights issue in the last ten years preceding the date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

Our Company does not have any outstanding debentures or bonds as of the date of this Draft Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Draft Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The agreement amongst the Registrar to the Offer, our Company and the Selling Shareholders provides for the retention of records with Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach Registrar to the Offer for redressal of their grievances.

All grievances other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Bidder.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant SCSBs or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations or the relevant Registered Broker if the Bid was submitted through Registered Brokers, as the case may be, giving full details such as name and address of the sole or the First Bidder, the Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of the Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Registered Broker or the Designated Branch, as the case may be, where the ASBA Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs, Syndicate Members, RTA, CDPs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Anchor Investor, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

Our Company estimates that the average time required by our Company or Registrar to the Offer or SCSB, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

For details of the Stakeholders' Relationship Committee, see the section titled "*Our Management*" on page 183.

Our Company has also appointed Rakesh Ghuwalewala, the Company Secretary of our Company, as the Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Address: 101, 1st Floor, Shapath –III, Near GNFC Tower
Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054
Gujarat, India
Tel: +91 79 2685 0132
Fax: +91 79 2685 0133
E-mail: investors.jel@johnenergy.com

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Changes in auditors

Our erstwhile statutory auditors, Deloitte Haskins & Sells, Chartered Accountants were our statutory auditors for the fiscals 2017, 2016 and 2015, and their term completed with effect from September 29, 2017. Our current Statutory Auditors are B S R & Associates LLP.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the five years preceding the date of this Draft Red Herring Prospectus, except for the purposes of the bonus issue of Equity Shares as disclosed in the section titled "*Capital Structure*" on page 83.

Revaluation of Assets

Our Company has not re-valued its assets at any time during the five years preceding the date of this Draft Red Herring Prospectus.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association, the SEBI Listing Regulations and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled "*Main Provisions of Articles of Association*" on page 585.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations. For further details in relation to dividends, see the sections titled "*Our Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 195 and 585, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹ 10 and the Offer Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band will be decided by our Company in consultation with the BRLMs and the minimum Bid Lot will be decided by our Company in consultation with the BRLMs and will be advertised in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati being the regional language of Gujarat where our Registered Office is located, each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;

- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see the section titled "*Main Provisions of Articles of Association*" on page 585.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated March 23, 2009 between NSDL, our Company and Registrar to the Offer.
- Tripartite Agreement dated November 20, 2013 between CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [•] Equity Shares.

Period of operation of subscription list

See the sub-section titled "*Terms of the Offer – Bid/Offer Programme*" on page 534.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, India.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. If our Company and the Investor Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Offer Programme

BID/OFFER OPENS ON	**For all Bidders**	**[●]***
BID/OFFER CLOSES ON	**For QIB Bidders**	**[●]****
	For Retail Individual Bidders and Non Institutional Bidders	**[●]**

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

** *Our Company in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable, other than the Bid/Offer Closing Date is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs.

While our Company and the Selling Shareholders (each, in respect of themselves and the Offer for Sale by them respectively) shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Investor Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The

commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend all support and co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each such Selling Shareholder in the Offer for Sale) at all Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in physical Bid cum Application Form, for a particular Bidder the details of the Bid file received from Stock Exchanges may be taken as final data for purposes of Allotment.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, 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 Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue and (ii) minimum Allotment as specified under Rule 19(2)(b) of the SCRR, including through devolvement to the Underwriters, as applicable, our Company shall forthwith refund the entire subscription amount received no later than 60 days from the Bid/Issue Closing Date, If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. Further, in terms of Regulation 26(4) of the SEBI ICDR Regulations, our

Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000.

Further, in case of non-receipt of minimum subscription, application money of Anchor Investors to be refunded shall be credited only to the bank account from which the subscription was remitted. Further, we shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and complying with Rule 19(2)(b)(i) of the SCRR, our Company and the BRLMs shall first ensure Allotment of Equity Shares in the Fresh Issue followed by Allotment of Equity Shares offered by the Selling Shareholders.

The Selling Shareholders agree and acknowledge that in the event that any Equity Shares are not sold in the Offer for Sale on account of under-subscription, such unsold Equity Shares shall be subject to lock-in in accordance with this Draft Red Herring Prospectus and SEBI ICDR Regulations.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoter's Contribution and the Anchor Investor lock-in of Equity Shares as provided in the section titled "*Capital Structure*" on page 90 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of the Equity Shares of our Company and on their consolidation/ or splitting, except as provided in the Articles of Association. For details, see the section titled "*Main Provisions of the Articles of Association*" on page 585.

OFFER STRUCTURE

Offer of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 2,180 million by our Company and the Offer for Sale of up to 1,677,744 Equity Shares aggregating to ₹ [●] million by the Selling Shareholders. The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment(2)	[●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/allocation	Up to 50% of the Offer size Up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation to domestic Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not less than 15% of the Offer size or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Offer size or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate, subject to minimum Bid Lot. For details, please see the section titled "*Offer Procedure – Part B- Allotment Procedure and Basis of Allotment – Allotment to RIBs*" on page 574.(5)
Minimum Bid	Such number of Equity Shares, in multiple of [●] Equity Shares, that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares, in multiple of [●] Equity Shares, that the Bid Amount exceeds ₹ 200,000	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply(3)	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies,	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)

Particulars	QIBs(1)	Non Institutional Bidders	Retail Individual Bidders
	scheduled commercial banks, mutual fund registered with SEBI, FPIs other than Category III FPIs, VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund 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 the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and, Systemically Important Non-Banking Financial Companies.	corporate bodies, scientific institutions societies and trusts, Category III FPIs	
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form(4)		

* *Assuming full subscription in the Offer*

(1) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For details, see the section titled "Offer Procedure" on page 540.*

(2) *Assuming full subscription in the Offer and subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b)(i) of the SCRR, read with Regulation 41 of the SEBI ICDR Regulations, for at least 25% of the post-Offer paid-up Equity Share capital of our Company. Further, this Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer 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) *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, please see the section titled "Offer Procedure – Part B - Section 7: Allotment Procedure and Basis of Allotment" on page 574.*

(5) *In case of oversubscription in Retail Category, maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot ("Retail – Bid Lot Allottees"). The 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 Net Offer is equal to or less than Retail – Bid Lot Allottees, (i) all such Retail Individual Bidders shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to those Retail Individual Bidders who have applied for more than the minimum Bid Lot, for the balance demand of the Equity Shares Bid by them (i.e. the difference between the Equity Shares Bid* *and the minimum Bid Lot).*

(ii) *In the event number of Retail Individual Bidders who have submitted valid Bids in the Net Offer is more than the Retail – Bid Lot Allottees, those Retail Individual Bidders, who will be Allotted the minimum Bid Lot shall be determined the basis of draw of lots. In the event of a draw of lots, Allotment will only be made to such Retail Individual Bidders who are successful pursuant to such draw of lots.*

Under subscription, if any, in any category except in the QIB Portion would be met with spill-over from the other categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "Offer Procedure - Part B – General Information Document for Investing in Public Issues", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and/or the accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein 50% of the Offer shall be Allotted on a proportionate basis to QIBs, provided that our Company may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the BRLMs, Syndicate Members and sub-syndicate members at the Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FPIs or FVCIs, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSBs, where the Bidder has the ASBA account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Participation by Promoters, Promoter Group, the BRLMs, the Syndicate Members and persons related to the Promoters/Promoter Group/BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for the Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Our Promoters and members of our Promoter Group will not participate in the Offer except to the extent of the offered Equity Shares.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company 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.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the BRLMs, Syndicate Members and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum

Application Form. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPIs and unregulated broad based funds, which are classified as Category II FPI by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) such offshore derivate instruments shall not be issued to or transferred to persons who are resident Indians or NRIs or to entities beneficially owned by resident Indians or NRIs. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions: offshore derivative instruments are:

(a) transferred to persons subject to fulfilment of SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by SEBI registered VCFs, FVCIs and AIFs

The SEBI AIF Regulations and the SEBI FVCI Regulations, *inter alia*, prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% 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 $1/3^{rd}$ 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 Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations .

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FVCIs, AIFs or FPIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which, our Company reserves the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time, including the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016.

Bids by SCSBs

SCSBs participating in the Offer 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 such applications.

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. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), 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.

Restriction on Foreign Ownership of Equity Shares

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 the 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 concerned administrative ministry/department of the Government of India and the RBI, as notified from time to time.

The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), issued the Consolidated FDI Policy Circular of 2017 ("**FDI Circular 2017**"), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the United States Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) within India, to Indian institutional, non-institutional and retail investors in offshore transactions, as defined in and in reliance on Regulation S ("Regulation S") under the United States Securities Act of 1933, as amended (the "Securities Act"); and (ii) outside the United States of America and India, to institutional investors in offshore transactions in reliance on Regulation S under the Securities Act.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts, for investors who are exempt from the requirement of obtaining/ specifying their PAN for transacting in the securities market and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same;

13. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule of the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

18. Ensure that the depository account is active, the correct DP ID, the Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name DP ID, Client ID and PAN available in the Depository database;

19. Ensure that the Demographic Details are updated, true and correct in all respects; and

20. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);

4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Do not submit the Bid cum Application Forms to the Escrow Collection Bank (assuming that such bank is not a SCSB), our Company, the Selling Shareholder or the Registrar to the Offer (assuming that the Registrar to the Offer is not one of the RTAs);

7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not submit the Bid for an amount more than funds available in your ASBA account;

10. Do not submit more than five Bid cum Application Forms per ASBA account;

11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and

13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per Demographic Details provided by the depository).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"
(b) In case of Non-Resident Anchor Investors: "[●]"

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of English national newspaper [●], [●] editions of the Hindi national newspaper [●] and [●] edition of the Gujarati daily newspaper [●], Gujarati being the regional language of Gujarat where our Registered Office is located, each with wide circulation. In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following that:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;

- if our Company or Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;

- if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company and/or any Selling Shareholder subsequently decides to proceed with the Offer;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date will be taken;

- if Allotment is not made application money will be refunded/unblocked in ASBA Account within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- the certificates of the securities/refund orders to Eligible NRIs shall be despatched within specified time; and

- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Investor Selling Shareholders

Each Investor Selling Shareholder severally and not jointly undertakes that:

- the Equity Shares being sold by it pursuant to the Offer for Sale, have been held by it in accordance with Regulation 26(6) of the SEBI ICDR Regulations, or issued pursuant to a bonus issue or issued pursuant to conversion of preference shares are fully paid-up and are in dematerialised form;

- the Equity Shares proposed to be sold/transferred by each Selling Shareholder pursuant to the Offer for Sale, is held by it or its respective trustee for the benefit of and on behalf of such Selling Shareholder, as the case may be;

- it is the legal and beneficial owner of, and has full title to, the Equity Shares proposed to be sold/transferred by it pursuant to the Offer for Sale;

- the Equity Shares being sold by it pursuant to the Offer are free and clear of any liens or encumbrances and shall be transferred to the investors within the time specified under applicable law;

- it shall not offer, lend, pledge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer for Sale;

- it shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date of the Offer and in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within six Working Days from the Bid/Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund. In case of delay, interest as per applicable law shall be paid by them to the extent of the offered shares;

- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

- it shall deliver the Equity Shares being offered by it in the Offer into an Escrow Account two days prior to the filing of the Red Herring Prospectus with the RoC;

- it shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of this Draft Red Herring Prospectus until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;

- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer;

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013; and

- they shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

Undertakings by the Other Selling Shareholders

Each Other Selling Shareholder severally and not jointly undertakes that:

- the Equity Shares being sold by it pursuant to the Offer for Sale, have been held by it in accordance with Regulation 26(6) of the SEBI ICDR Regulations, or issued pursuant to a bonus issue or issued pursuant to conversion of preference shares are fully paid-up and are in dematerialised form;

- the Equity Shares proposed to be sold/transferred by each Selling Shareholder pursuant to the Offer for Sale, is held by it or its respective trustee for the benefit of and on behalf of such Selling Shareholder, as the case may be;

- it is the legal and beneficial owner of, and has full title to, the Equity Shares proposed to be sold/transferred by it pursuant to the Offer for Sale;

- the Equity Shares being sold by it pursuant to the Offer are free and clear of any liens or encumbrances and shall be transferred to the investors within the time specified under applicable law;

- it shall not offer, lend, pledge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer for Sale;

- it shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date of the Offer and in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within six Working Days from the Bid/Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund. In case of delay, interest as per applicable law shall be paid by them to the extent of the offered shares;

- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

- it shall deliver the Equity Shares being offered by it in the Offer into an escrow account two days prior to the filing of the Red Herring Prospectus with the RoC;

- it shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of this Draft Red Herring Prospectus until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;

- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer;

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013; and

- they shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

Utilisation of Offer proceeds

The Board of Directors certify that:

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the Offer, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- the utilisation of monies received under the Promoters' contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- the details of all unutilised monies out of the funds received under the Promoters' contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 1956, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**")

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the "Companies Act"), as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

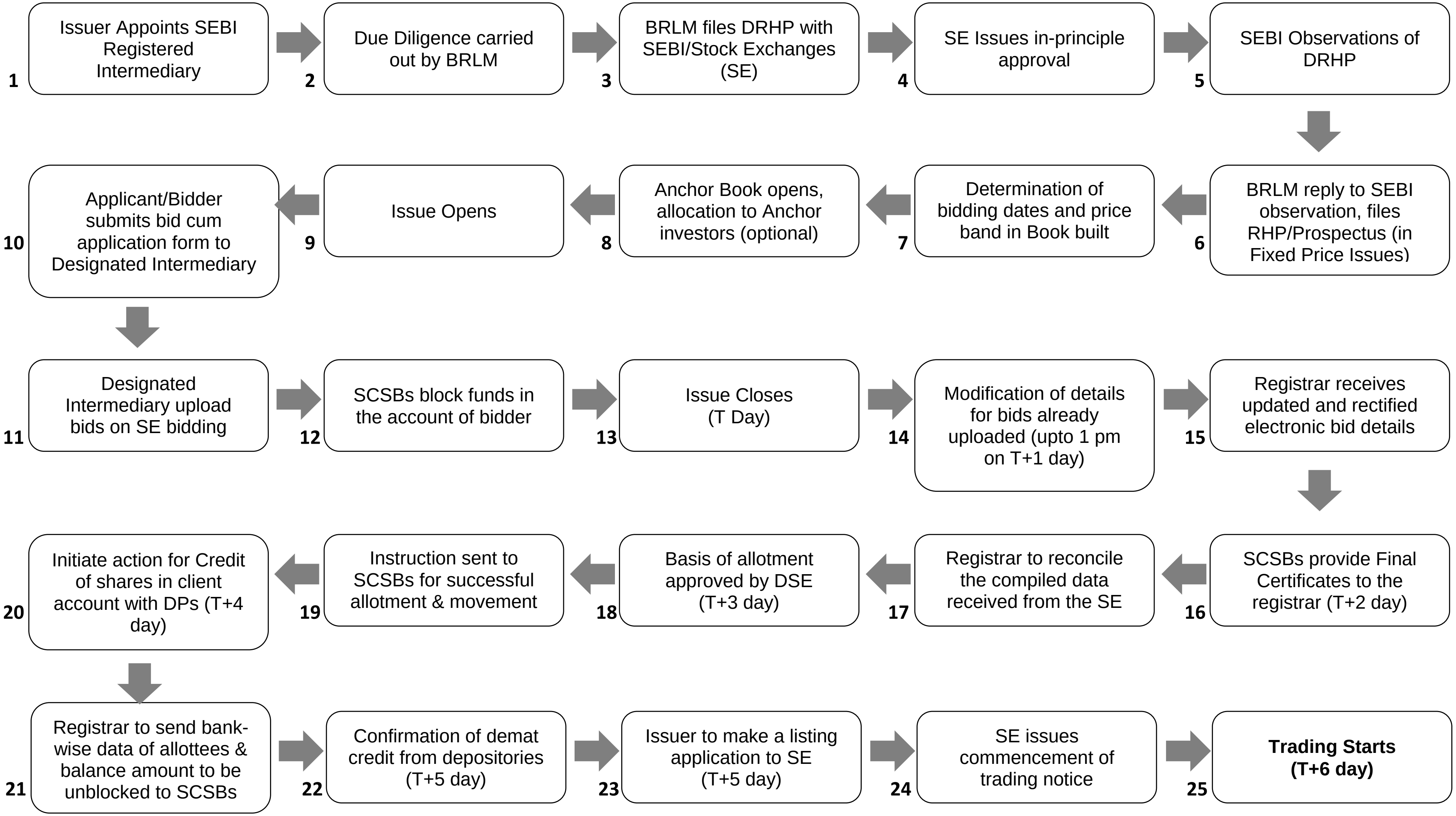
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

    i. Step 7: Determination of Issue Date and Price
    ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries



1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE
18 Basis of allotment approved by DSE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and

As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediaries, or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs and FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	[As specified by the Issuer]

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No..............	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ___________

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.

Bank & Branch

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)______

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words) ____________

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : ______________	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No. ____________

Bank & Branch ____________

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: **"*Any person who: (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the General Index Registration Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic

Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000. Bids by Employees must be for such number of shares so as to ensure that the Bid Amount less Employee Discount (as applicable), payable by the Bidder does not exceed ₹ 500,000. Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

In case the Bid Amount for any Bid under the Retail Portion or Employee Reservation Portion exceeds ₹ 200,000 and ₹ 500,000, respectively, due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For Eligible NRI Bidders, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RIB may revise or withdraw their bids till closure of the bidding period. QIBs and NIBs cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with the SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the Bidder's ASBA Account based on the authorisation provided by the Bidder in the ASBA Form. If Discount is applicable in the Issue, the RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, *i.e.* Bid price less Discount offered, if any.

(b) Bidders who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by direct credit, RTGS NACH or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for Bidders**

(a) Bidders may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted by the Designated Intermediary if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by Eligible NRI Bidders applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (is applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh rupees (under the RIB Category) or more than five lakh rupees (under the Employee Reservation Portion), the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category nor the Employee Reservation Portion.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Application, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

(i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Offer.

(ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

(iii) In case of queries relating to uploading of Bids by a Designated Intermediary other than an SCSB, the Bidders/Applicants should contact the relevant Designated Intermediary.

(iv) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLMs in case of any other complaints in relation to the Offer.

(c) The following details (as applicable) should be quoted while making any queries –

(i) full name of the First or Sole Bidder/Applicant, Bid cum Application Form number, Applicants/Bidders, DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.

(ii) name and address of the Designated Intermediary where the Bid was submitted; and

(iii) The ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the

Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM | **XYZ LIMITED - INITIAL PUBLIC ISSUE - R**
Address : .... Contact Details: .... CIN No ....
FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
Mr. / Ms.
Address
Email
Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	OLD BID				
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	REVISED BID				
(OR) Option 3					

6. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT PART PAYMENT
Additional Amount Paid (₹ in figures) (₹ in words)
ASBA Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO | **XYZ LIMITED** BID REVISION FORM - INITIAL PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSB/DP/RTA | Bid cum Application Form No.

DPID / CLID | PAN of Sole / First Bidder

Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.
Bank & Branch

Bid cum Application Form No.

TEAR HERE — PLEASE FILL IN BLOCK LETTERS — TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE**

BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000 (₹ 500,000 in case of Employees). In case the Bid Amount exceeds ₹ 200,000 (₹ 500,000 in case of Employees) due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds ₹ 200,000, (excluding the bids by Employees under the Employee Reservation Portion) the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the basis of allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, *i.e.* Bid price less discount offered, if any.

(b) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (*i.e.*, original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, (excluding the bids by Employees under the Employee Reservation Portion) the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

   i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

   ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

   i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

   ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue.

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.3 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may authorise blocking of an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ APPLICATION FORM/ REVISION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form	
Anchor Investors Application Form	1)	To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
Applications by other Bidders	(a)	To members of the Syndicate in the Specified Locations or Registered

Mode of Application	Submission of Bid cum Application Form
	Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated CDP Location (b) To the Designated Branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the ASBA Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the ASBA Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of the SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Red Herring Prospectus and Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1 p.m. on next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for validation of the electronic bid details with the Depository’s records.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges’ on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid/Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIBs & RIBs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, *inter alia*, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB;

(b) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(i) PAN not mentioned in the Bid cum Application Form/Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court, and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(m) Bids/Applications at Cut-off Price by NIBs and QIBs;

(n) The amounts mentioned in the Bid cum Application Form/Application Forms does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) Submission of more than five ASBA Forms/Application Forms as per ASBA Account;

(q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;

(r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(s) Bids not uploaded in the Stock Exchanges bidding system.

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(v) Where no confirmation is received from SCSB for blocking of Funds;

(w) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(x) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Issue;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions.

Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) A Bid by an Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion (post the initial allocation of up to ₹ 200,000 per Employee), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Employee not exceeding ₹ 500,000 (which shall be less the Employee Discount, if applicable). For further details on allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer 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 equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidders is will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("Maximum RIB Allottees"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (*i.e.* who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBs

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:

  i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;

  ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

  iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

    - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;

    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and

    - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Cash 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 applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Cash Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit of Equity Shares to the beneficiary account with DPs, Depositories and within six Working Days of the Bid/Issue Closing Date.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at rates prescribed under applicable law.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 500,000 but which may extend to ₹ 5 million and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 300,000, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants in pursuance of the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any Offer for Sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, without interest take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI ICDR Regulations, 2009 but fails to Allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

(d) In the case of Bids from Eligible NRI Bidders and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer and the Selling Shareholder may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH**—National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Bidders/Applicants having an account at any of the centres specified by the RBI where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Bidders/Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where the Bidder/Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**— Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

(d) **Direct Credit**— Anchor Investors having their bank account with the Refund Bank may be eligible to receive refunds, if any, through direct credit to such bank account.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Issue Closing Date.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue

Term	Description
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid /Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/ Issue Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under the SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2^{nd} and 4^{th} Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Cash Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account

Term	Description
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated SCSB Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms submitted by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or where instructions which are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue and/or may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under the SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NECS/NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account

Term	Description
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/ Fixed Price Process/ Fixed Price Method	The Fixed Price process as provided under the SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer, in consultation with the Book Running Lead Manager(s)
Maximum RIB Allottees	The maximum number of ribs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Bidders or NIBs	All Bidders/Applicants registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the IT Act, 1961

Term	Description
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	A Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under the SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/ RTI	The Registrar to the Issue as disclosed in the Red Herring and Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Term	Description
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/ SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	“Working Day”, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise of two parts, Parts A and B. Part A of the Articles of Association shall continue to be applicable until the receipt of listing and trading approvals for the Equity Shares from the Stock Exchanges or earlier if required by applicable law or SEBI and upon happening of the aforementioned, Part A of the Articles of Association shall become inapplicable and Part B of the Articles of Association shall become applicable without any further action by the Company or by the Shareholders of Company

Part A

Board Composition

The number of Directors shall not be less than three and not more than 12 including alternate directors. The number of Directors shall not be changed except by an amendment to the Articles approved by a Special Resolution of the Shareholders passed in accordance with the Act.

The Assets, business and affairs of the Company shall be managed exclusively by and under the directions of the Board. The Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under Applicable Law and the Charter Documents. The Promoters shall be entitled to nominate five nominees on the Board of the Company ("**the Promoters' Nominees**").

(a) IRC shall be entitled to nominate 1 (one) nominee as Director on the Board (the "**IRC Director**").
(b) Rakesh Jhunjhunwala shall have right to nominate, appoint such number of directors on the Board of Directors of the Company so as to represent him in proportion to his shareholding in the Company subject to a minimum of one director(s) here in after referred to as "**RJ Directors**".
(c) IL&FS shall be entitled to nominate 1 (one) nominee as Director on the Board (the "**IL&FS Director**").
(d) ICICI shall be entitled to nominate 1 (one) director ("**Nominee Director**") or an observer ("**Observer**") at its discretion on the Board.

<u>Alternate Director</u>

The Board may appoint an Alternate Director recommended for such appointment by the Director (hereinafter called "the **Original Director**") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held.

IRC shall have the right to nominate an alternate Director to be appointed in the absence of the IRC Director in accordance with the Act, who shall have all the rights, benefits and privileges as IRC Director and would be eligible to attend the meetings of the Board of Directors on behalf of IRC Director.

Rakesh Jhunjhunwala may appoint alternate directors to his nominee directors if it is so required. The nominee or alternate director need not hold any qualification shares. The exercise of such right by Rakesh Jhunjhunwala to appoint or withdraw any director shall not require the approval of the Board and the promoters shall have to exercise their voting rights to support such appointment of nominee directors.

IL&FS shall have the right to nominate an alternate Director to be appointed in the absence of the IL&FS Director in accordance with the Act, who shall have all the rights, benefits and privileges as the IL&FS Director and would be eligible to attend the meetings of the Board of Directors on behalf of the IL&FS Director.

ICICI shall have the right to nominate an alternate Director to be appointed in the absence of the ICICI Director in accordance with the Act, in case an election is made by ICICI to elect a director and not an Observer, who shall have all the rights, benefits and privileges as the ICICI Director and would be eligible to attend the meetings of the Board of Directors on behalf of the ICICI Director.

<u>Removal of Directors</u>

The Company may, subject to the provisions of Section 284 and other applicable provisions of the Act and the Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.

IRC shall be entitled to require the Board to remove the IRC Director nominated by it, including any alternate Director nominated by it, by written notice to such IRC Director and the Company, in which case each Promoter and their respective nominee Directors shall vote accordingly to give effect to such change. Any vacancy occurring with respect to the position of IRC Director, by reason of death, disqualification, resignation, removal or the inability to act, shall be filled only by another nominee specified by IRC who nominated such IRC Director.

Indemnification of Directors

Subject to the provisions of Section 201 of the Act, every Director or officer or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company, to pay all costs, charges, losses and damages which any such person may incur or become liable to by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such, if any, as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer or Auditor or other Officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

Access

The Company shall permit any person designated and duly authorized by IRC to inspect all books, records, accounts, documents and vouchers relating to the business and the affairs of Company including any project of Company, who may make such copies thereof or extracts therefrom as such person may deem appropriate. IRC will also have complete access to the statutory and internal auditors of the Company for inspection of books of accounts.

Fees and Expenses of Directors

Subject to the Applicable Law, the RJ Directors shall be entitled to all the rights and privileges of other non-executive directors (except the remuneration, commission or fees paid by the company to the Chairman of the company) including the sitting fees and expenses as payable to the non-executive directors but if any other fees, commission, monies, remuneration in any form is payable to the directors, the fees, commission, monies, remuneration in relation to the such RJ Director shall accrue to Rakesh Jhunjhunwala and subject to Applicable Law, the same shall accordingly be paid by the Company directly to Rakesh Jhunjhunwala. Provided that if any such RJ Director is an officer of Rakesh Jhunjhunwala, if Rakesh Jhunjhunwala so advises the Company, the sitting fees in relation to such RJ Director(s) shall accrue to Rakesh Jhunjhunwala and the same shall, subject to Applicable Law, accordingly be paid by the Company directly to Rakesh Jhunjhunwala.

Any reasonable expenditure incurred by Rakesh Jhunjhunwala or the RJ Directors in connection with travel and stay costs in attending meeting of the Board/Committee/Shareholders shall be borne by the Company.

Without prejudice to the right of the IRC Director to be reimbursed in accordance with the provisions of the Articles, the Board of Directors may, subject to the limitations provided by the Act, allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence for the purpose of attending a meeting such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fees for attending such meeting as above specified.

Committees of the Board

The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act and of the Articles, delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.

It is mandatory for the company to form a management committee and that there shall be at least one representative respectively of IRC and Rakesh Jhunjhunwala in the committee and that the committee shall meet at least once a month.

Subject to applicable to Applicable Law, IRC and Rakesh Jhunjhunwala shall have the right to nominate one nominee each on the audit and compensation committee appointed by the board.

Board Meetings

(a) The Board shall meet at least once in every calendar quarter and at least 4 (four) such meetings shall be held in every calendar year. Meetings of the Board shall ordinarily be held at Ahmedabad.

(b) Unless otherwise agreed to in writing by the Shareholders, all notices for all meetings of the Board shall be in writing, and shall be sent to each of the Directors, the Board Observer and an Observer (if appointed by ICICI) at least 15 (fifteen) days prior to such meeting in the manner specified. No meeting of the Board shall be convened at a shorter notice period without the prior written consent (which may be signified by letter, facsimile or e-mail with receipt acknowledged) of IRC Director. A detailed board pack, including an agenda, in the specified form, shall be supplied to each Director, the Board Observer and an Observer (if appointed by ICICI) along with the notice, together with the draft resolutions and other appropriate documentation with respect to agenda items calling for Board action, to adequately inform Directors, the Board Observer and an Observer (if appointed by ICICI) regarding matters to come before the Board. Any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating the same to the Company at least 10 (ten) days in advance of the meeting of the Board to permit timely dissemination to all Directors of information with respect to the agenda items within a reasonable time.

(c) A Director may at any time and the Secretary upon the request of a Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director of the Company.

(d) The quorum for a meeting of the Board shall be in accordance with the Act, provided that the quorum shall comprise of IRC Director, present in person (unless such presence is waived by IRC Director in writing), at the beginning of the meeting and throughout the meeting. Further, provided that a valid quorum for board meeting shall comprise the nominee of IL&FS in respect of any matter pertaining to the IL&FS Affirmative Vote Matter.

(e) Subject to paragraph (f) below, in the event that the quorum, as set forth above, is not present at the commencement or throughout the duration of any Board meeting, then the meeting shall stand adjourned.

(f) In the event of adjournment of Board meeting such adjourned meeting shall be held after 5 (five) days from the date on which the previous meeting was scheduled (or such other day as may be agreed by all the Directors), at the same time and place (the "**Adjourned Meeting**"). The Company shall issue notices for such Adjourned Meeting to all the Directors.

(g) It is expressly clarified that in the event of an adjournment of the meeting of the Board, the agenda for the initial meeting shall be the agenda for the Adjourned Meeting, and matters which are not specifically defined and stated in the agenda for the initial meeting shall in no event be taken up for discussion or approved at the Adjourned Meeting unless agreed upon by the IRC Director in writing. In the event additional matters are proposed to be taken up for discussion at the Adjourned Meeting, a detailed board pack of such additional matters, in the specified form, shall be supplied to each Director, the Board Observer and an Observer (if appointed by ICICI), together with the draft resolutions and other appropriate documentation well in advance of the Adjourned Meeting.

Part B

Authorised capital

The authorised Share Capital shall be as set forth in the clause V of the Memorandum and shall have the rights, privileges, and conditions attached herewith, as are provided by the Articles of Association with power to increase and/or reduce the Share Capital and divide the Share Capital into several classes and to attach thereto respectively such differential, preferential, qualified or special rights, privileges, or conditions, as may be determined by or in accordance with the Articles of Association and to modify the conditions in such manner as may be permitted by Applicable Laws and the Articles of Association. Subject to the provisions of the Articles of Association, the Company may by a resolution passed at a General Meeting increase the authorised or issued or paid up Share Capital or reduce the Share Capital or otherwise amend the Memorandum and these Articles in accordance with the provisions of the Act and the provisions of these Articles.

The paid up Share Capital shall be at all times at least a minimum of such amount as may be prescribed under the

Act.

Alteration of capital

The Company may, subject to the Articles of Association and Section 61 of the Act, by Ordinary Resolution in General Meeting from time to time, increase its Share Capital by such amount as it thinks expedient, consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares, convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up shares of any denomination, sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Such cancellation of shares shall not be deemed to be a reduction of Share Capital.

The Company shall have power, subject to and in accordance with all applicable provisions of the Act and the Articles of Association, to purchase any of its own fully paid shares whether or not they are redeemable and may make payment out of capital in respect of such purchase. Subject to Applicable Law (including the Act), the Company may issue shares; either equity or any other kind with non-voting rights and the resolution authorizing such issue shall prescribe the terms and conditions of that issue.

Commissions and brokerage

The Company may, subject to the applicable provisions of the Act, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any securities in accordance with the provisions of the Act.

The Company may also, on any issue of Securities, pay such brokerage as may be lawful.

Calls on Shares

The Board may from time to time, subject to the provisions of Section 49 of the Act, and subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made to him to the person or persons and Shareholders and at the times and places appointed by the Board and shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

The Board may, from time to time, make calls upon the Shareholders in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) or by the conditions of allotment thereof made payable at fixed times.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.

Debentures and lien

The Company shall, subject to the provisions of the Articles of Association, have first and paramount lien upon all Shares/debentures (other than fully paid up Shares/ debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/ debentures, for his/her debts, liabilities and engagements either solely or jointly with any other person, to or with the Company whether the period for payment, fulfilment or discharge thereof shall have actually arrived at or not and when any such shares/debentures is held by more persons than one, the Company shall have a lien thereon in respect of all money due from them all or any of the holders thereof, and no equitable interest in any share shall be created except upon the footing and condition that this article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/ debentures.

Unless otherwise agreed, the registration of a Transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such Shares/ debentures. The Directors may at any time declare any shares/ debentures wholly or in part to be exempt from the provisions of the Articles of Association.

Subject to the provisions of the Articles of Association, the shares of any Member who is indebted to the Company may be sold by a resolution of the Board to satisfy the Company's lien thereon and be Transferred to the name of the purchaser without the consent and notwithstanding any opposition on the part of the indebted Member with complete title of the shares of any such Member which shall be sold and Transferred against such indebted Member, and all persons claiming under him whether he may be deemed to be the holder of such Shares, which shall stand discharged from all dues and calls made prior to such application of the purchase and the purchaser by virtue of such sale and Transfer shall not be bound to see the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

The Company lien, if any, on a share shall extend to all dividends payable thereon and the Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien but no sale shall be made, unless a sum in respect of which the lien exists is presently payable, or until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered Shareholder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

To give effect to any such sale, the Board may authorize some person to Transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the Shareholder of the shares comprised in any such Transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by irregularity or invalidity in the proceedings in the reference to the sale. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Forfeiture of Shares

If any Member fails to pay the whole or any part of any call or installment or any money due in respect of any Shares either by way of principle or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof of other money as aforesaid remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

The notice aforesaid shall name a further day (not being earlier than the expiry of 14 days from the date of service of the notice) on or before which the payment required by the notice is to be made; and state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.

Transfer of Shares

A common form of Transfer shall be used. The instrument of Transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a Shareholder until the name of the transferee is entered in the register of Members in respect thereof.

The Shares in the Company shall, subject to the provisions of Section 56 of the Act, be Transferred in the form prescribed under the Act. The Board may, subject to the right of appeal conferred by Section 58 of the Act, decline to register, the Transfer of a Share, not being a fully paid up Share, to a person of whom they do not approve; or any Transfer of Shares on which the Company has a lien. The Board may also decline to recognise any instrument of Transfer unless a fee of ₹ 2 (two rupees) is paid to the Company in respect thereof, the instrument of Transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the Transfer, and the instrument of Transfer is in respect of only one class of shares.

Subject to the provisions of Section 91 of the Act, the registration of Transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than 30 days at any one time or for more than 45 days in the aggregate in any year.

No fee shall be payable to the Company, in respect of the registration of Transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine Transfer receipts into denomination corresponding to the market unit of trading.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of 30 days from the date of such lodgement.

Subject to the provisions of the Articles and any other Law for the time being in force, the Directors 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 securities or interest of a Member in the Company and shall within one month from the date on which the instrument of Transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, communicate the same to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal. However, 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. A Transfer of a share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be valid as if he had been a Member at the time of the execution of the instrument of Transfer.

Transmission of Shares

On the death of a Shareholder, the survivor or survivors where the Shareholder was a joint Shareholder, and his legal representatives where he was a sole Shareholder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

Nothing above shall release the estate of a deceased joint Shareholder from liability in respect of any share which had been jointly held by him with other persons.

Any person becoming entitled to a Share in consequence of the death or insolvency of any Shareholder may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either to be registered himself as a Shareholder; or to make such Transfer of the share as the deceased or insolvent Shareholder could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Shareholder had Transferred the share before his death or insolvency.

If the person so becoming entitled shall elect to be registered as a Shareholder himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

If the person aforesaid shall elect to Transfer the share, he shall testify his election by executing a Transfer of the share.

All the limitations, restriction and provisions of these Articles relating to the right of Transfer and the registration of Transfers of shares shall be applicable to any such notice or Transfer as aforesaid as if the death or insolvency of the Shareholder had not occurred and the notice or Transfer were a Transfer signed by that Shareholder. A person becoming entitled to a share by reason of death or insolvency of the Shareholder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered Shareholder, except that he shall not, before being registered as a Shareholder in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to the meetings of the Company. However, that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to Transfer the share, and if the notice is not complied with within 90 days, the Board may thereafter withhold payments of all dividends, bonuses or money payable in respect of the share, until the requirements of the notice have been complied with.

Borrowing powers

Subject to the provisions of the Articles of Association and subject to applicable laws the Board may from time to time at their discretion raise or borrow from the Directors, Members, or other persons any sum or sums or money for the purpose of the Company at such interest and/or upon such security or conditions as they may consider proper or expedient. The Board may raise or secure the payment of repayment of such sum or sums in such manner and upon such terms and conditions in all respect as they think fit and in particular by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for time being.

Debentures, debenture stock, bonds or other securities may be made assignable free from any equities, between the Company and the person to whom the same be issued.

Subject to the provisions of the Act, any debentures, debenture-stock, bonds 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 special privileges to redemption, surrender, drawings, allotment of shares, appointment of Directors or otherwise.

Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Conversion of Shares into stock

The Company may, by Ordinary Resolution in General Meeting, convert any paid-up shares into stock; and reconvert any stock into paid up shares of any denomination.

The holder of the stock may Transfer the same or any part thereof in the same manner as, and subject to the Articles under which, the share from which the stock arose might before the conversion have been Transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock Transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

The holders of the stock shall, according to the amount of stock held by them, have by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

General Meetings

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. All General Meetings including annual general meetings shall be convened by giving at least 21 days' notice to Shareholders or to the authorised representative of the Shareholders in respect of each meeting of the Shareholders, at the address notified from time to time by the Shareholders to the Company. However, with the consent of the Shareholders holding 95% of such part of the paid-up Share Capital of the Company as gives a right to vote thereat, any General Meeting may be convened by giving a shorter notice than 21 days.

All General Meetings other than annual general meetings shall be called extraordinary general meetings.

The Board shall, at the requisition (setting out the objective of the meeting) made by such number of Members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up Share Capital of the Company as on that date carries the right of voting, call on extraordinary general meeting of the Company within the period of 21 days from the date of receipt of a valid requisition. No business shall be transacted at any General Meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business.

The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. The chairman shall have a second or casting vote in a General Meeting. Any business other than that upon which poll has been demanded may be proceeded with, pending the taking of the poll.

The notice of each General Meeting shall specify the date, time and include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the General Meeting.

Votes and proxies of Members

Subject to the provisions of the Act, on a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have voting rights in proportion to his Share in the paid-up equity capital of the Company. Every holder of a preference Share in the capital of Company shall be entitled to vote at a General Meeting of Company only in accordance with the limitations and provisions laid down in Section 47(2) of the Act.

Board of Directors

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than three and not more than 15. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least one woman Director, as may be prescribed by Law from time to time.

The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

The Directors need not hold any qualification share.

The Company may exercise the powers conferred by the Act with regard to having an official Seal for use abroad, and such powers shall be vested in the Board.

The Company may exercise the powers conferred on it by the Act with regard to a keeping of a foreign register and the Board may (subject to the provision of those sections) make and vary such regulation as it may think fit respecting the keeping of such register.

Subject to the provisions of Section 161 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons, other than a person who fails to get appointed as a director in a general meeting, as additional Director or Directors. Such additional Director shall hold office only up to the date of the next annual general meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re- election at that meeting as a Director, provided that the number of Directors and the additional Director together, shall not exceed the maximum strength fixed by the Board under these Articles.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation, and their appointment shall, save as otherwise expressly provided in their presence, be in the General Meeting.

The Directors may, from time to time, at their discretion raise or borrow for the purpose of the Company's business such of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future including the uncalled capital or by the issue, at such price as they may think fit, of bonds or debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Directors may think expedient.

Subject to the provisions of the Act and of these Articles, the Board shall have the power to appoint from time to time any one or more of its Directors as managing directors, deputy managing directors, whole time directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, the Board may by resolution vest in such managing director/s or deputy managing director/s or whole time director/s such of the powers hereby vested in the Board generally as it thinks fit, as such power may be exercisable for such conditions and subject to such restriction as it may determine. The remuneration of managing director/s, deputy managing director/s and whole time director/s may be by way of monthly payment, fee for each meeting or participation in profits, or by all or any of these modes or any other mode not expressly prohibited by the Act.

The managing director and deputy managing director shall not, while he continues to hold that office, be subject to retirement by rotation and if he ceases to hold the office of the Director, he shall and immediately cease to be the managing director and deputy managing director, as the case may be.

A Director may be paid a sitting fee for each meeting of the Board or committee of the Board attended by him. None of the Directors, shall be required to hold any qualification Shares.

Subject to the provisions of Section 161(4), 169(7) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director before the term of office of such Director expires, may be filled up by the Directors at a meeting of the Board. Any person so appointed would have held office, if the vacancy had not occurred and shall hold office only up to the date to which the Director in whose place he is so appointed would have held the office if it had not been vacated. Provided that, where a vacancy is created by removal of a Director, the Director who was removed from office shall not be re-appointed as the Director by the Board.

Proceedings of Directors

The Board of Directors shall meet at least four times in a year for the dispatch of business, adjourn and otherwise regulate its meeting and proceeding as it thinks fit provided that not more than 120 days shall intervene between two consecutive meetings of the Board.

Subject to requirements of notice as prescribed in these Articles, the managing director or the Chairman may 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.

At least seven days written notice shall be given to each of the Directors including the alternate Directors and to the authorised representative of the Shareholders in respect of each meeting of the Board, at the address notified from time to time by each Director of the Company.

The notice of each Board Meeting shall specify the date, time and include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the Board Meeting. Notice of the Board Meeting shall be sent at least seven days in advance to each of the Directors.

Minutes of each meeting of the Board shall be recorded in English and kept by the Company in accordance with Applicable Law.

The chairman of the Board ("**Chairman**") shall be one of the Directors appointed by the Board for the purpose of the Board Meeting. The Chairman shall have a second or casting vote.

If no such Chairman is elected, or if at any meeting the Chairman is not present within 30 minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

Subject to the provisions of the Act and related regulations, the Board may from time to time, constitute committees of the Board and may determine their functions, powers, authorities and responsibilities. Such a committee may elect a chairman of its meetings and if no such chairman is elected, or if at any meeting the chairman is not present within 30 minutes after the appointed time for the meeting, the Members present may choose one of their Members as the chairman for that meeting.

Dividends

Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".

Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act.

No unclaimed or unpaid dividend shall be forfeited by the Board.

Winding up

Subject to the provisions of Chapter XX of the Act and rules made thereunder, if the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets may be divided by the liquidator, with the sanction of a Special Resolution of the Company, and any other sanction required by the Act, amongst the Members in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

For the purpose aforesaid, the liquidator may set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.

Indemnity

Subject to provisions of Section 197 of the Act, the Chairman, Directors, auditors, managing directors and other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all *bonafide* suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or about the execution of their duties in their respective offices except those done through their wilful neglects or defaults of any other officer or trustee.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

1. Material Contracts for the Offer

(i) Offer Agreement dated February 15, 2018 between our Company, the Selling Shareholders and the BRLMs.

(ii) Registrar Agreement dated February 15, 2018 between our Company, the Selling Shareholders and the Registrar to the Offer.

(iii) Cash Escrow Agreement dated [●] between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Escrow Collection Bank(s), Refund Bank and Public Offer Bank(s).

(iv) Share Escrow Agreement dated [●] between the Selling Shareholders, our Company, the BRLMs and the Escrow Agent.

(v) Syndicate Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members.

(vi) Underwriting Agreement dated [●] between our Company, the Selling Shareholders, the Registrar to the Offer and the Underwriters.

2. Material Documents

(i) Certified copies of the updated Memorandum and Articles of Association of our Company as amended from time to time.

(ii) Certificate of incorporation dated October 9, 1987.

(iii) Fresh certificate of incorporation dated April 7, 1998 consequent upon conversion from private company to public company.

(iv) Fresh certificate of incorporation dated April 13, 1998 pursuant to change of name.

(v) Resolution of the Board of Directors dated December 22, 2017 in relation to the Offer.

(vi) Shareholders' resolution dated January 22, 2018 in relation to the Offer.

(vii) The examination reports dated January 31, 2018 of the Statutory Auditor, on our Company's Restated Standalone Financial Information and Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.

(viii) Copies of the annual reports of our Company for the Fiscals 2013, 2014, 2015, 2016 and 2017.

(ix) Statement of Tax Benefits dated February 15, 2018 from the Statutory Auditor.

(x) Consent of the Directors, the BRLMs, the Syndicate Members, Legal Counsel to the Offer as to Indian Law Registrar to the Offer, Escrow Collection Bank(s), Refund Bank, Public Offer Bank(s), Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

(xi) Consent letter February 15, 2018 of the Statutory Auditor to include their names as experts in relation to their reports on the Restated Consolidated Financial Information and the Restated Standalone Financial Information and the Statement of Tax Benefits included in this Draft Red Herring Prospectus.

(xii) Consent letter dated January 25, 2018 from CARE and their report titled Oil and Gas Industry – January 2018.

(xiii) Due Diligence Certificate dated February 15, 2018 addressed to SEBI from the BRLMs.

(xiv) In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.

(xv) Tripartite agreement dated March 23, 2009 between our Company, NSDL and the Registrar to the Offer.

(xvi) Tripartite agreement dated November 20, 2013 between our Company, CDSL and the Registrar to the Offer.

(xvii) Subscription and Shareholders' Agreement dated August 10, 2006 among Rakesh Radheyshyam Jhunjhunwala, Maheshkumar N. Vyas (representing Dilipkumar N. Vyas, Bhartiben G Panchal and John Oil and Gas Limited) and our Company, as amended on December 22, 2017.

(xviii) Share Subscription and Purchase Agreement dated March 27, 2010 among India Rig Company, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited and our Company.

(xix) Shareholders Agreement dated March 27, 2010 among IRC, Chiragkumar M. Vyas, Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited and our Company, as amended on December 22, 2017.

(xx) Shareholders Agreement dated September 28, 2011 and addendum agreement dated October 9, 2015 among ICICI, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company, as amended on January 18, 2018.

(xxi) Subscription Agreement dated September 28, 2011 and addendum agreement dated October 9, 2015 among ICICI Bank Limited, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company.

(xxii) Share Subscription Agreement dated September 28, 2011 amongst IL&FS Financial Services Limited, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company.

(xxiii) Shareholders' Agreement dated September 28, 2011 amongst IL&FS Financial Services Limited, Chiragkumar M. Vyas (representing Maheshkumar N. Vyas, Dilipkumar N. Vyas, Natvarlal S Vyas and John Oil and Gas Limited) and our Company, as amended on January 18, 2018.

(xxiv) SEBI observation letter number [●] dated [●].

(xxv) Approval by way of consent letter dated December 15, 2017 and board resolution dated December 15, 2017 of India Rig Company approving the offer of up to 800,000 Equity Shares as part of the Offer for Sale.

(xxvi) Approval by way of letter dated January 9, 2018 and resolution dated January 4, 2018 passed by the committee of director of IL&FS Financial Services Limited approving the offer of up to 579,830 Equity Shares as part of the Offer for Sale.

(xxvii) Approval by way of consent letter dated December 9, 2017 from Kalpraj Damji Dharamshi (jointly with Hina Kalpraj Dharamshi) approving the offer of up to 218,085 Equity Shares as part of the Offer for Sale.

(xxviii) Approval by way of consent letter dated February 1, 2018 from Nilesh S. Shah approving the offer of up to 10,750 Equity Shares as part of the Offer for Sale

(xxix) Approval by way of consent letter dated December 8, 2017 from Shah Vinaben Rashmikant (jointly with Shah Rashmikant Navnitlal) approving the offer of up to 10,638 Equity Shares as part of the Offer for Sale.

(xxx) Approval by way of consent letter dated December 12, 2017 from Dr. Jehangir Sorabjee approving the offer of up to 10,638 Equity Shares as part of the Offer for Sale.

(xxxi) Approval by way of consent letter dated December 9, 2017 from Chetan R Shah approving the offer of up to 9,750 Equity Shares as part of the Offer for Sale.

(xxxii) Approval by way of consent letter dated December 15, 2017 from Ushma Sheth Sule approving the offer of up to 7,400 Equity Shares as part of the Offer for Sale.

(xxxiii) Approval by way of consent letter dated December 14, 2017 from Dalal Niraj Deepak (jointly with Dalal Sadhana Deepak) approving the offer of up to 7,400 Equity Shares as part of the Offer for Sale.

(xxxiv) Approval by way of consent letter dated December 11, 2017 from Amit Himatlal Shah approving the offer of up to 5,878 Equity Shares as part of the Offer for Sale.

(xxxv) Approval by way of consent letter dated December 11, 2017 from Vinay Gopalakrishnan Nair approving the offer of up to 4,450 Equity Shares as part of the Offer for Sale.

(xxxvi) Approval by way of consent letter dated December 11, 2017 from Nirbhay Mahawar approving the offer of up to 3,750 Equity Shares as part of the Offer for Sale.

(xxxvii) Approval by way of consent letter dated December 9, 2017 from Chetan R Shah (HUF) approving the offer of up to 3,191 Equity Shares as part of the Offer for Sale.

(xxxviii) Approval by way of consent letter dated December 13, 2017 from Sunil Singh approving the offer of up to 2,128 Equity Shares as part of the Offer for Sale.

(xxxix) Approval by way of consent letter dated December 13, 2017 from Naren R. Shah approving the offer of up to 1,872 Equity Shares as part of the Offer for Sale.

(xl) Approval by way of consent letter dated December 9, 2017 from Salonee A. Sanghvi approving the offer of up to 1,500 Equity Shares as part of the Offer for Sale.

(xli) Approval by way of consent letter dated December 8, 2017 from Shah Rashmikant Navnitlal (jointly with Shah Vinaben Rashmikant) approving the offer of up to 484 Equity Shares as part of the Offer for Sale.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Maheshkumar N Vyas
(*Chairman and Managing Director*) ______________________________

Dilipkumar N Vyas
(*Whole-time Director* ______________________________

Chiragkumar M Vyas
(*Whole-time Director*) ______________________________

Ravi Kapoor
(*Non-executive independent Director*) ______________________________

Natwarlal M Patel
(*Non-executive independent Director*) ______________________________

Meena K Bhatt
(*Non-executive independent Director*)

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Rajiv A Agarwal
(*Non-executive independent Director*) ______________________________

Mahesh Sarda
(*Non-executive additional independent Director*)

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SIGNED BY THE CHIEF FINANCIAL OFFICER

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Jayesh Asher

Date:
Place:

DECLARATION

The undersigned Investor Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Investor Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered and sold by it in the Offer for Sale are true and correct, provided however, that the undersigned Investor Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Red Herring Prospectus.

Signed by the Investor Selling Shareholder

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For IL&FS Financial Services Limited

Date:
Place:

DECLARATION

The undersigned Investor Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Investor Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself and the Equity Shares being offered and sold by him in the Offer for Sale are true and correct, provided however, that the undersigned Investor Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Red Herring Prospectus.

Signed by the Investor Selling Shareholder

____
For India Rig Company

Date:
Place:

DECLARATION

Each Other Selling Shareholder, severally and not jointly, certifies that all statements and undertakings made by it in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered and sold by it in the Offer for Sale are true and correct, provided however, that the Other Selling Shareholders assume no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed on behalf of the Other Selling Shareholders (except for Nilesh S. Shah) by its duly constituted attorney holder

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Jayesh Asher, in his capacity as Chief Financial Officer of John Energy Limited, (as the duly constituted power of attorney holder for the Other Selling Shareholders)

Date:
Place:

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the undersigned Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself and the Equity Shares being offered and sold by him in the Offer for Sale are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Red Herring Prospectus.

Signed by Nilesh S Shah

Date:
Place: