



PSP PROJECTS LIMITED

Our Company was incorporated as PSP Projects Private Limited on August 26, 2008, as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Gujarat at Ahmedabad (the "RoC"). Our Company was converted into a public limited company pursuant to a special resolution of the Shareholders dated June 30, 2015 and consequently, the name of our Company was changed to PSP Projects Limited and a fresh certificate of incorporation was issued by the RoC on July 10, 2015. For further details of change in the name and registered office of our Company, please see the section entitled "History and Certain Corporate Matters" on page 155 of the Red Herring Prospectus dated May 4, 2017 (the "RHP").

Registered and Corporate Office: PSP House, Opposite Celesta Courtyard, Opposite lane of Vikram Nagar Colony, Iscon-Ambli Road, Ahmedabad - 380 054, Gujarat. **Contact Person:** Minakshi Tak, Company Secretary and Compliance Officer; **Tel:** +91 79 26936200/300/400; **Fax:** +91 79 26936500; **E-mail:** grievance@pspprojects.com

Website: www.pspprojects.com; **Corporate Identity Number:** U45201GJ2008PLC054868

OUR PROMOTERS: PRAHALADBHAI SHIVRAMBHAI PATEL AND SHILPABEN PATEL

PUBLIC ISSUE OF UP TO 10,080,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF PSP PROJECTS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) AGGREGATING UP TO ₹ [•] MILLION COMPRISING A FRESH ISSUE OF UP TO 7,200,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 1,584,000 EQUITY SHARES BY PRAHALADBHAI SHIVRAMBHAI PATEL, UP TO 576,000 EQUITY SHARES BY SHILPABEN PATEL, (PRAHALADBHAI SHIVRAMBHAI PATEL AND SHILPABEN PATEL COLLECTIVELY REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDERS") UP TO 288,000 EQUITY SHARES BY POOJA PATEL AND UP TO 432,000 EQUITY SHARES BY SAGAR PATEL (POOJA PATEL AND SAGAR PATEL COLLECTIVELY REFERRED TO AS THE "PROMOTER GROUP SELLING SHAREHOLDERS") (THE PROMOTER SELLING SHAREHOLDERS AND THE PROMOTER GROUP SELLING SHAREHOLDERS COLLECTIVELY REFERRED TO AS THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [•] MILLION (THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "ISSUE"). THE ISSUE WILL CONSTITUTE UP TO 28.00 % OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL.

Price Band: ₹205 to ₹210 per Equity Share of Face Value of ₹10 each
The Floor Price is 20.5 times the Face Value and the Cap Price is 21.0 times the Face Value
Bids can be made for a minimum of 70 Equity Shares and in multiples of 70 Equity Shares thereafter

Risks to Investors:

- The two Book Running Lead Managers associated with the Issue have handled 7 public issues in the past 3 years, out of which 2 issues closed below the issue price on listing date.
- The average cost of acquisition per Equity Share by our Promoters, Prahaladbhai Shivrambhai Patel is ₹ 0.28 and Shilpaben Patel is ₹ 0.01 and the Issue Price at upper end of the Price Band is significantly higher at ₹ 210.

BASIS FOR ISSUE PRICE

The Issue Price of ₹ [•] will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, on the basis of assessment of market demand through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 and the Issue Price is 20.5 times the face value at the lower end of the Price Band and 21.0 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 124, 17 and 185, respectively, of the RHP to have an informed view before making an investment decision.

Qualitative Factors

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

- Strong track record of successful project execution across diverse segment • Robust order book and growing pre-qualification credentials • Long-standing relationships with our customers • Experienced management and promoter • Robust financial performance and financial strength

For further details, see chapter titled "Our Business" on page 124 of the RHP.

Quantitative Factors

Information presented in this section is derived from the Restated Consolidated Summary Financial Statements and Restated Standalone Summary Financial Statements prepared in accordance with the Indian GAAP, Companies Act and the SEBI ICDR Regulations.

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

1. Earnings Per Share ("EPS") (as adjusted for changes in capital, if any):

Financial Year	Standalone		Consolidated	
	Basic and Diluted EPS (in ₹)	Weight	Basic and Diluted EPS (in ₹)	Weight
2014	3.50	1	NA	NA
2015	4.88	2	NA	NA
2016	8.66	3	7.86	1
Weighted Average	6.54		7.86	
Nine Months ended December 31, 2016*	7.46		7.21	

*Not Annualised

Note:

a. Earnings per share calculations have been done in accordance with Accounting Standard 20 - "Earnings per Share" issued by the ICAI.

b. The face value of the Equity Share of the Company is ₹ 10 each.

2. P/E Ratio in relation to Price Band of ₹ 205 to ₹ 210 per Equity Share:

Particulars	Standalone	Consolidated
a) P/E ratio based on basic EPS for the year ended March 31, 2016 at the Lower end of the price band	23.67	26.08
b) P/E ratio based on diluted EPS for the year ended March 31, 2016 at the Lower end of the price band	23.67	26.08
c) P/E ratio based on basic EPS for the year ended March 31, 2016 at the Higher end of the price band	24.25	26.72
d) P/E ratio based on diluted EPS for the year ended March 31, 2016 at the Higher end of the price band	24.25	26.72
e) Industry P/E Multiple*		
Highest		35.98
Lowest		10.76
Industry Composite		26.34

*The Industry high and low has been considered based on the standalone financials from the Industry Peer Set consisting of Ahluwalia Contracts (India) Limited, Man Infra Construction Limited, Prakash Constrowell Limited, RPP Infra Projects Limited, Nila Infrastructures Limited. The Industry composite has been calculated as the arithmetic average standalone P/E of the Industry peer set provided below. For further details, please see "Comparison with Listed Industry Peers" provided below

3. AVERAGE RETURN ON NETWORK ("RoNW"):

Financial Year	Standalone		Consolidated	
	RoNW (%)	Weight	RoNW (%)	Weight
2014	28.94	1	NA	NA
2015	29.95	2	NA	NA
2016	37.72	3	35.48	1
Weighted Average	33.67		35.48	
Nine Months ended December 31, 2016*	24.53		24.56	

*Not Annualised

Return on net worth (%) = Profit after tax as restated * 100 / Net worth at the end of the year / period

Net Worth = Equity Share Capital + Securities Premium Account + General Reserve + Surplus / (Deficit) in the statement of profit and loss + Other Reserves created out of profits but does not include revaluation reserve.

For further details, please see the section titled "Basis for Issue Price" on page 98 of the RHP.

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON MAY 17, 2017⁽¹⁾ | BID/ISSUE CLOSES ON MAY 19, 2017

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

ASBA* | Simple, Safe, Smart way of Application!!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.
Mandatory in public issues from January 01, 2016. No cheque will be accepted.

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

This Issue is being made in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") and Regulation 26 (2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Category"), provided that our Company and the Selling Shareholders shall, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts in which the corresponding Bid Amounts will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see section titled "Issue Procedure" on page 392 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Issue. 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.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, investors are requested to see "History and Certain Corporate Matters" on page 155 of the RHP and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see "Material Contracts and Documents for Inspection" on page 479 of the RHP.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE	COMPANY SECRETARY & COMPLIANCE OFFICER
 Karvy Investor Services Limited Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034, Telangana. Tel: +91 40 23428774 Fax: +9140 23374714; E-mail: cmg@karvy.com Investor grievance e-mail: igmbd@karvy.com Website: www.karvyinvestmentbanking.com Contact person: P. Balaji / Avinash Palivela SEBI Registration No.: MB/IN/M000008365	 Motilal Oswal Investment Advisors Limited* Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai- 400 025. Tel: +91 22 3980 4380 Fax: +91 22 3980 4315; E-mail: psplipo@motilaloswal.com Investor grievance e-mail: mioaplredressal@motilaloswal.com Website: www.motilaloswalgroup.com; Contact person: Kristina Dias SEBI Registration No.: INM000011005 *Formerly Motilal Oswal Investment Advisors Private Limited	 Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032 Tel: +91 40 6716 2222; Fax: +91 40 2343 1551 E-mail: pspprojects ipo@karvy.com Investor grievance e-mail: einward.ris@karvy.com Website: www.karishma.karvy.com; Contact person: M Murali Krishna SEBI Registration No.: INR000002221	Minakshi Tak PSP House, Opposite Celesta Courtyard, Opposite Lane of Vikramnagar Colony, Iscon - Ambli Road, Ahmedabad - 380058 Gujarat Tel: +91 79 26936200 / 300 / 400; Fax: +91 79 26936500 E-mail: minakshi@pspprojects.com Website: www.pspprojects.com Bidders can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and on-receipt of funds by electronic mode.

NOTICE TO INVESTORS: Under the section titled "Basis for Issue Price", on page 99 of the RHP: (i) in the table for "Price / Earning (P/E) Ratio in relation to Issue Price of ₹ [•] per Equity Share" point b) shall read as "P/E ratio based on diluted EPS for the year ended March 31, 2016 at the Lower end of the price band" instead of "P/E ratio based on diluted EPS for the year ended March 31, 2016 at the Higher end of the price band" and point c) shall read as "P/E ratio based on basic EPS for the year ended March 31, 2016 at the Higher end of the price band" instead of "P/E ratio based on basic EPS for the year ended March 31, 2016 at the Lower end of the price band"; and (ii) in the table for "Minimum return on increased net worth after the Issue required for maintaining pre-issue EPS at March 31, 2016" the unit for "Basic EPS" and "Diluted EPS" shall read as "%" instead of "₹". Further, under the section titled "General Information" on page 72 of the RHP with relation to Karvy Stock Broking Limited, one of the Syndicate Members, the telephone number shall read as " +91 40 2331 1968" instead of " +91 22 2331 1968".

The RHP stands suitably modified and shall be read in conjunction with this Notice to Investors. The aforesaid changes shall be reflected in the Prospectus.

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the Risk Factors contained therein, before applying in the Issue. Full copy of the RHP will be available on the website of the SEBI at www.sebi.gov.in, the websites of the BRLMs at www.karvyinvestmentbanking.com and www.motilaloswalgroup.com and the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively.

AVAILABILITY OF BID CUM APPLICATION FORM: Bid cum Application form can be obtained from the Registered Office of Company, **PSP PROJECTS LIMITED**, Tel: +91 79 26936200/300/400; Fax: +91 79 26936500; BRLMs and Syndicate Members: **Karvy Investor Services Limited**, Tel: +91 40 23428774, Fax: +91 40 23374714, **Motilal Oswal Investment Advisors Limited**, Tel: +91 22 3980 4380, Fax: +91 22 3980 4315; **Karvy Stock Broking Limited**, Tel: +91 40 2331 2454, Fax: +91 40 2331 1968, **Motilal Oswal Securities Limited**, Tel: +91 22 3027 8129, Fax: +91 22 3980 4315 and at selected locations of Sub-Syndicate Members (as given below), Registered Brokers, designated RTA locations and designated CDP locations for participating in the Issue. Bid cum Application Forms will also be available on the websites of the Stock Exchanges and all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and BSE.

SUB-SYNDICATE MEMBERS: Almondz Global Securities Ltd.; Amit Jasani Financial Services Pvt. Ltd.; Anand Rathi Share & Stock Brokers Ltd.; Ashika Stock Broking Ltd.; Asit C Mehta Investment Intermediates Ltd.; Axis Capital Ltd.; Bonanza Portfolio Ltd.; Centrum Broking Ltd.; Edelweiss Broking Ltd.; Eureka Stock & Share Broking Services Ltd.; HDFC Securities Ltd.; Hitesh Shah; ICICI Securities Ltd.; IDBI Capital Markets & Securities Ltd.; India Infoline Ltd.; Inventure Growth & Securities Ltd.; J M Financial Services Ltd.; Keynote Capitals Ltd.; KJMC Capital Market Services Ltd.; Kotak Securities Ltd.; LKP Securities Ltd.; Mehta Equities Ltd.; Monarch Network Capital Ltd.; MPSE Securities Ltd.; Nirmal Bang Securities Pvt. Ltd.; Nitin Pariek & Co.; Prabhudas Lilladher Pvt. Ltd.; Pravin Ratilal Share & Stock Brokers Ltd.; RR Equity Brokers Pvt. Ltd.; SBICAP Securities Ltd.; Sharekhan Ltd.; SMC Global Securities Ltd.

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to apply through the ASBA process. ASBA has to be availed by all the investors except Anchor Investors. For details on the ASBA process, please refer to the details given in the ASBA Form and Abridged Prospectus and also please refer to "Issue Procedure" on page 392 of the RHP. ASBA Forms can also be downloaded from the websites of BSE and NSE. ASBA Forms can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. ASBA Form can be obtained from Syndicate Members, SCSBs, Registered Brokers, RTAs and CDPs, the list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/5/33/0/0/Recognised-Intermediaries.

BANKERS TO THE ISSUE / ESCROW COLLECTION BANKS: ICICI Bank Limited and Axis Bank Limited

REFUND BANK: ICICI Bank Limited

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Ahmedabad
Date: May 8, 2017

PSP PROJECTS LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public issue of its equity shares ("Equity Shares") and has filed the Red Herring Prospectus dated May 4, 2017 ("RHP") with the Registrar of Companies, Gujarat at Ahmedabad. The RHP will be available on the website of the SEBI at www.sebi.gov.in, the websites of the Book Running Lead Managers at www.karvyinvestmentbanking.com and www.motilaloswalgroup.com and the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. Any potential investor should note that investment in Equity Shares involves a high degree of risk, for details potential investors should see "Risk Factors" beginning on page 17 of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S of the U.S. Securities Act and the applicable laws of each jurisdiction where such offers and sales are made.

For **PSP PROJECTS LIMITED**
On behalf of the Board of Directors
Sd/-
Company Secretary & Compliance Officer

Size: 32.9x50cm