

**November 27, 2017**

To,

**Bombay Stock Exchange Ltd.,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

**The National Stock Exchange of India Ltd.**  
Exchange Plaza,  
Bandra - Kurla Complex,  
Mumbai - 400 051

**Company Code No. 531120**

**Company Code: PATELENG/EQ**

Dear Sirs,

**SUCCESSFUL COMPLETION OF ASSIGNMENT / TRANSFER OF ACTIONABLE CLAIMS & REAL ESTATE AND IMPLEMENTATION OF S4A SCHEME**

1. The Company is pleased to inform that it has successfully completed transfer/assignment of certain actionable claims for various projects undertaken by the Company in the present and past and certain rights of assets together with corresponding debts including debts, liabilities and obligations related thereto valuing approximately Rs. 2,000 crores from its books to its wholly owned subsidiary viz Hitodi Infrastructure Limited whose 51% equity has been taken by an Eight Capital Group Entity and change of management has been effected.

Eight Capital, is a special situations fund that was founded in 2005 headquartered in Mumbai. Eight Capital is led by Mr. Ravi Chachra and Mr. Vikram Chachra, backed by a team of seasoned investment professionals. Eight Capital has deployed funds of ~ USD 500 Million to facilitate restructuring and turnaround of 13 Indian companies across multiple sectors.

2. Lodha Developers, one of the prominent builders in Mumbai, has acquired 100% equity of wholly owned subsidiary of the Company, viz Patel Land Developers Limited (PLDL), to whom the company has transferred 5 acres of Jogeshwari property along with its corresponding liability and debt of Rs. 376 crore, out of which Rs. 51 crore has been infused by Lodha and paid by PLDL to the Company for part discharge of the said debt.

With the above transactions, the total debt of the company has been reduced by approximately Rs. 2,376 cr.

3. In addition to the above transactions, the Company has successfully implemented the debt resolution plan under the S4A Scheme as mandated by the overseeing committee of RBI which super majority of lenders approving and converting PART B debt into Optionally Convertible Debentures in terms of the Scheme. Subsequently to which, the Company through its Allotment Committee has till dated allotted OCDS of value aggregating Rs. 688.54 Crs.

As part of the Scheme, the promoters of the Company have infused Rs. 75 crores (first tranche) as interest free unsecured loan in the Company by raising loan against pledge of their shares aggregating to 13.37% of the total Equity capital of the Company.

REGD. OFFICE :

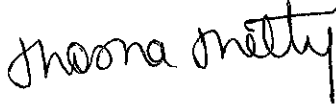
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Phone +91 22 26767500, 26782916 • Fax +91 22 26782455, 26781505  
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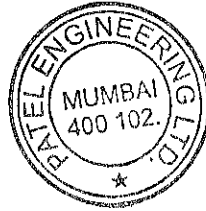
The Promoters have also pledged Shares held by them to the extent of 10% of the total Equity capital of the Company to a Trustee appointed by the lenders out of which pledge on shares equivalent to 3.93% of the total equity capital of the Company has been invoked and credited to the lenders as part of the said S4A Scheme.

The additional information required pursuant to the Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed herewith.

**For Patel Engineering Limited**



**Shobha Sheffy**  
**Company Secretary**  
**Membership No. A17228**



## Annexure

### Additional information on transfer / assignment of actionable claims / Real Estate:

#### a. Brief details of the transfer/assignment:

The Company has assigned the beneficial interest in its actionable claims, being certain claims and receivables aggregating to approximately Rs. 2,000 crores for various projects undertaken by the Company in the form of awarded claims, ongoing/forthcoming arbitration and claims with clients and certain assets (real estate parcel) along with certain debts aggregating upto Rs. 2,000 crores to Hitodi Infrastructure Limited, an SPV formed by the company where 51% equity has been taken by Eight Capital.

The Company has transferred the right, title, interest in approx. 5 acre land parcel in Jogeshwari Land and office building standing thereon ("Property") along with corresponding debt to Patel Land Developers Ltd and has sold 100% stake of the said SPV to Lodha Developers.

#### b. The amount and percentage of the turnover or revenue or income and net worth contributed on account of said transfer of the listed entity during the last financial year:

The Company, as a part of debt transfer exercise has assigned its said beneficial interest in actionable claims and certain assets along with certain debts as stated above.

#### c. Reason for transfer

The said transfer is the part of re-organization of business and debt of the company. Strategic Debt Restructuring (SDR) was invoked by the Joint Lenders Forum (JLF) in the company on 26<sup>th</sup> May 2016.

#### d. Date on which the agreement for transfer/assign has been entered into:

The Company signed the Definitive agreement(s) on November 20, 2017 and November 23, 2017 respectively for the said transfer/assignment.

#### e. The expected date of completion of transfer/assign:

NA

#### f. Consideration received from such transfer/assign:

The entire exercise is a debt transfer exercise and as such no net cash consideration is being received on account of transfer.

The Company shall continue to hold 49% in Hitodi Infrastructure Ltd. and balance 51% being held by Eight Capital.

#### g. Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof:

Eight Capital, the buyer/ investor is a special situations fund that was founded in 2005 headquartered in Mumbai. Eight Capital is led by Mr. Ravi Chachra and Mr. Vikram Chachra, backed by a team of seasoned investment professionals. Eight Capital has deployed funds of ~ USD 500 Million to facilitate restructuring and turnaround of 13 Indian companies across multiple sectors.

Lodha Developers, are one of the prominent real estate developers in Mumbai.



The buyers does not belong to any promoter/promoter group of the Company.

**h. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length":**

The transaction is with wholly owned subsidiary (ies) and as such is a related party. However, the beneficial interest in its actionable claims based on arbitration awards / estimated realizable value of claims and certain real estate parcels as recorded in the books is transferred with equivalent amount of debts only subject to transfer of majority / entire ownership simultaneously or before the said transfer, as the case may be, with equity value of 49% stake of Company post dilution to investor of 51% by fresh issue for Hitodi and Nil stake for Company and full transfer of 100% stake in PLDL to investor. Hence the same is at arm's length.

