



PATEL ENGINEERING LTD.
CIN : L99999MH1949PLC007039

May 5, 2017

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

Sub: Outcome of Board meeting and Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, you are hereby informed that Board of Directors of the Company at its meeting of May 3, 2017 has transacted the following businesses:

The Board of Directors has inter alia approved the following proposals:

- a) To transfer / assign beneficial interest in certain claims and receivables ("actionable claims") for various projects undertaken by the Company in the present and past and certain real estate parcels valuing in total upto Rs. 2,500 crores in books together with certain debts including debts, liabilities and obligations related thereto aggregating upto Rs.2,500 crores to Wholly owned Subsidiary(ies)/SPVs proposed to be incorporated by the Company ('hereinafter referred to as the New Entity(ies)').

In addition to the above, there will be a Green Shoe option to the Investor to assume further debt of Rs. 500 crores along with additional beneficial interest in actionable claims and real estate parcels.

- b) The Board considered and accepted the proposal from Eight Capital group, Mumbai (hereinafter referred to as "Investor") to invest in the New Entity(ies) to the extent of 51% of the Equity share capital.

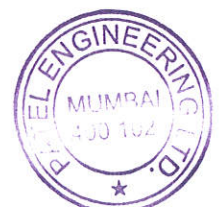
Additional information:

a. Brief details of the transfer/assignment:

The Company is assigning beneficial interest in its actionable claims, being certain claims and receivables aggregating upto 2,500 crores for various projects undertaken by the Company in the form of awarded claims, ongoing/forthcoming arbitration and claims with clients and certain real estate parcels along with certain debts aggregating upto Rs. 2,500 crores to New Entity(ies) formed by the Company.

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In addition to the above, there will be a Green Shoe option to the Investor to assume further debt of Rs.500 crores along with additional beneficial interest in actionable claims and real estate parcels.

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 is only assigning its said beneficial interest in actionable claims and certain real estate parcels 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 26th May 2016.

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

No Definitive agreement has been executed into for any of the above proposals approved by the Board. Appropriate intimations will be given to the exchanges when definitive agreements are entered into. Currently a term sheet is signed giving broad terms of the transaction and which is subject to due diligence.

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

9 months from the date of the approval of the Board.

f. Consideration received from such transfer/assign:

The entire exercise is a debt transfer exercise and as such no cash consideration is being received on account of transfer. The Company will hold 49% of the New Entity(ies) upon induction of the investor.

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.

The buyer 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 are transferred with equivalent amount of debts only.



subject to equity value of 49% stake in Company post dilution to investor of 51% by fresh issue. Hence the same is at arm's length.

The meeting commenced at 12 noon and concluded at 04:00 p.m.

Kindly acknowledge receipt of the same.

Thanking you,

Yours truly,

For Patel Engineering Ltd.

Shobha Shetty

Shobha Shetty
Company Secretary

