



Fitch Group

Agreement No: IRR/2023-24/33A

Dated: 28th July 2023

To

Mr. Hitesh Kumar Singh

Afcons Infrastructure Limited

Afcons House, 16, Shah Industrial Estate,

Veera Desai Road, Andheri (West),

Mumbai-400053.

Phone: +91 9619266474

Email: hitesh.singh@afcons.com

Dear Sir,

Sub: Agreement for Industry Research Report on the Infrastructure Sector in India

We understand that your firm is planning to raise finance through Initial Public Offering (IPO) in the coming months and hence require an industry research report on the captioned subject which your merchant banker can include in the offer documents.

1. INTRODUCTION

Fitch Solutions India Advisory Private Limited (FSIAPL) is a part of Fitch Group – a global leader in financial information services with operations in more than 30 countries. Fitch Group is comprised of: Fitch Ratings, a global leader in credit ratings and research; Fitch Solutions, a leading provider of credit market data, analytical tools and risk services; and Fitch Learning, a preeminent training and professional development firm.

In India, the Fitch Group is represented by its wholly owned Indian subsidiaries India Ratings & Research (India Ratings) and FSIAPL. India Ratings provides national ratings in India and is a wholly owned subsidiary of Fitch Ratings. For catering to the non-rating businesses, Fitch Solutions set up IRR Advisory Services Private Limited (IRR Advisory) in 2013. The name of IRR Advisory has now been changed to Fitch Solutions India Advisory Private Limited effective 9th June 2022.

Fitch Solutions provide credit and macro intelligence solutions helping clients to excel at managing their credit risk, gain deeper insights into the debt and fixed income markets, and get comprehensive intelligence about the macroeconomic environment. Today, 90% of the world's leading banks and financial institutions, as well as multinational companies, government agencies, and consulting firms based across the globe depend on Fitch Solutions & Fitch Ratings content to inform their business decisions. Fitch Solutions distributes via its Fitch Connect platform credit ratings, credit research, Financial Implied Credit Scores, fundamental data, country and industry

research, macroeconomic and industry data, and a curated news service. Fitch Solutions operates through its offices in London, New York, Tokyo, Hong Kong, Singapore and Mumbai.

In India IRR Advisory(now known as FSIAPL) since inception in 2013 has worked in several prestigious mandates, including : routinely conducting techno-economic viability studies for 9 PSU banks; conducting due diligence studies for new dealers for four global OEMs; undertaking credit assessment in Indian sub-continent for proposed investments by a leading Japanese investment bank; providing quarterly coverage to a global manufacturer on the Indian economy and on the infrastructure sector to align its strategy with economic reality; providing industry coverage and industry risk scores for various sectors for a leading multinational bank and assisting them in designing their product strategy; preparing bespoke industry research on various sectors for companies planning IPOs or desiring to benchmark themselves against competition; and undertaking benchmarking and competitive study for strategy formulation for a leading private sector NBFC; undertaking model validation for a leading PSU bank and recommending model improvements; undertaking model validation for a leading infrastructure financing institutions and recommending model improvements; providing financial advisory services and addressing asset-liability mismatch for a leading Indian infrastructure player; developing credit rating models for rating global banks for a new age private bank and subsequently undertook model validation and calibration for the same; developing SME credit rating model for a leading MNC bank who was planning to increase its exposure to the SME segment; developing model for Early Warning Signal (EWS) framework for systemically important public infrastructure finance company; reviewing and upgrading existing internal rating models and developing internal rating models for Small Finance Banks, State Co-operative Banks, Urban Co-operative Banks, Regional Rural Banks, Housing Finance Companies and Schedule Commercial Banks for an apex level institution for housing finance; developing model for calculating Expected Credit Loss (ECL) under IND AS framework for leading financial institutions; conducting credit check on customers for a leading Swiss multinational corporation dealing in telecommunication equipment; amongst others.

The Fitch Group and its companies thus enjoy the trust and confidence of investors, issuers, Governments, multilateral agencies, and regulators across the globe. Our clients include corporate houses, banks and financial institutions, infrastructure companies, multilateral agencies and government. We offer our clients a multidimensional approach to addressing their problems. We adopt a customized, responsive and personal approach to client service and offer a comprehensive range of services across various industries. FSIAPL, a Fitch group company would be pleased to assist you for undertaking the bespoke industry research report.

2. SCOPE OF WORK

The scope of work for the assignment will be to prepare a customized industry research report on the Infrastructure Sector in India to be included in the offer documents. The proposed coverage of the industry research report is as given below:

1. Marco-economic overview

- Global macroeconomic overview
 - Overview of global GDP trend CY2017-CY2022
 - World economic outlook for calendar year 2023 and 2024 as per IMF and World Bank estimates
 - Overview of GDP growth of Advanced economies, Emerging economies and India
 - Overview of key macroeconomic parameters like GDP per capita for global economy
 - Overview of GDP for key economies with focus countries in Africa, Middle East, South East Asia and Europe
- Indian macroeconomic overview
- Trend in real GDP growth in India, based on the new series of 2011-12
- Outlook on GDP growth
- Review of Gross fixed capital formation (GFCF) - FY12 onwards
- Trend in per capita income levels (FY12 onwards)
- Key demographic growth drivers for the consumption growth in India
- India's population growth projection till 2030
 - India population segmentation by age group – 2020 & 2030
 - Review of per capita net national income, per capita GDP, disposable income and growth rate
 - India urbanisation trends (1960 onwards for every ten years and projections till 2030)
- Review of Construction GVA – past trend fiscal 2012 to fiscal 2023 / as per latest available data by Government of India
 - Construction GVA as a % of Total GVA
- Construction GVA as a % of Total GDP
- Trend in FDI inflows for Construction (infrastructure) sector as per latest available public data
- Review of allocations in Budget for fiscal 2022 to fiscal 2024 with respect to infrastructure sector covering budgeted and actual estimates
 - Focus on allocation in Roads & Highways, Railways, Urban Infrastructure, Ports, Hydro-electric Power and Oil & Gas

- Review of Government policies and regulatory environment impacting the infrastructure sector's growth
 - Focus on National Infrastructure Plan and others as applicable with overview of prominent projects covered under the plan
 - Focus on policies impacting investment in Roads & Highways, Railways, Urban Infrastructure, Ports, Hydro-electric Power and Oil & Gas

Data Sources: RBI, IMF and Fitch Connect

2. Assessment of Global infrastructure construction industry

- Review of global infrastructure construction market size (CY2019- 2022)
- Outlook on global infrastructure construction market size over the next five years (CY2023- 2028) on best effort basis
- Estimated current segment-wise breakup of global construction investments as per latest available data for key segments on best effort basis
- Geography-wise breakup of global construction market size - North America, Europe,
- Asia-Pacific, Latin America, Middle-east & Africa on best effort basis
- Country wise market size of construction industry in key selected economies* on best effort basis
- List of infrastructure projects funded by Multilateral Agencies-World Bank, AIDB, European Union and JICA
- Capital expenditure plans of key international clients:
 - Arcelor Mittal
 - Arcelor Mittal Nippon Steel
 - Road and Transport Authority (RTA), Dubai
 - Olam International
 - Meridiam
 - Public Investment Fund (PIF), Saudi Arabia
- Overview of key global projects driven the Indian Government as per publicly available information. A brief write up on the projects funded by EXIM Bank
- *Note: The list of countries will include following 27 countries,
 - Africa: **Liberia**, Ghana, Gabon, Tanzania, Ivory Coast, Zambia, **Mauritius**, **DR Congo**, Uganda, Mozambique
 - Middle East: Saudi Arabia
 - Neighbouring Countries & South-East Asia: Bangladesh, **Bhutan**, **Nepal**, Sri Lanka, **Maldives**, Malaysia, Philippines, Cambodia, Laos, Myanmar, Vietnam
 - Eastern Europe & Euro-Asia: Romania, **Armenia**, **Georgia**, Bosnia & Herzegovina

Data Sources: Fitch Connect. The countries highlighted in bold is not covered by Fitch Connect. For Bhutan Nepal and Maldives- We will include the infrastructure Projects funded by Government of India and EXIM Bank. We will source data from European Bank for Reconstruction and Development on the infrastructure projects for countries like Armenia and Georgia.

3. Assessment of Indian infrastructure construction industry

a. Assessment of overall construction industry in India

- Review of Construction investments in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook on Construction investments in India over the next five years (fiscal 2023 to fiscal 2027) (will be done on a best effort basis)
- Segment-wise breakup of investments in India over the past five (fiscal 2018 to fiscal 2022) next five years (fiscal 2023 to fiscal 2027)
 - Infrastructure (Roads, Irrigation, Railways, Urban Infra, Power, Airports, Ports, Telecom)
 - Building & Construction (Residential and Commercial)
 - Industrial (Oil & gas, Automobiles, Metals, Others)
- Growth drivers of overall construction sector in India
- Overview of trends in infrastructure industry
 - Qualitative overview of complex vs non-complex construction projects using examples
 - Qualitative review of trends in the tendering process, for e.g., L1 Bidder vs Quality- cum-Cost Based Selection (QCBS)/Technical Bids
 - Qualitative overview of trends in line of credit for infrastructure sector
- Capital expenditure plans of key domestic clients:
 - Delhi Metro Rail Corporation (DMRC)
 - Maharashtra State Road Development Corporation (MSRDC)
 - Mumbai Metropolitan Region Development Authority (MMRDA)
 - Rail Vikas Nigam Limited (RVNL)
 - IRCON International
 - Kolkata Metro Rail Corporation Limited (KMRCL)
 - Ministry of Road Transport and Highways (MoRTH)
 - National High-Speed Rail Corporation Limited (NHSRCL)
 - National Capital Region Transport Corporation (NCRTC)
 - Bengaluru Metro Rail Corporation Limited (BMRCL)
 - Gujarat Metro Rail Corporation Limited (GMRC)
 - Maharashtra Metro Rail Corporation Limited (Maha Metro)
 - Uttar Pradesh Metro Rail Corporation (UPMRC)
 - Uttar Pradesh Expressways Industrial Development Authority (UPEIDA)

- Reliance Industries Limited (RIL)
- Gujarat Chemical Port Limited (GCPL)
- Oil and Natural Gas Corporation (ONGC)
- HPCL Rajasthan Refinery Ltd

b. Assessment of Infrastructure Construction segment

- Review of overall Infrastructure Construction market in India over the past five years (fiscal 2018 to fiscal 2022)
- Outlook on overall Infrastructure Construction market in India over the next five years (fiscal 2023 to fiscal 2028)
- Sector-wise breakup of Infrastructure Construction market in India over the past five (fiscal 2018 to fiscal 2022) and next five years (fiscal 2023 to fiscal 2028)

Data Sources: RBI and Fitch Connect

- The following sub-segments will be covered as per below scope

c. Roads & Highways

- Review of spend on road construction in India over the past five years (fiscal 2018 to fiscal 2022)
- Outlook of spend on road construction in India over the past five years (fiscal 2023 to fiscal 2028)
- Break-up (%) of road construction spend across Rural, State and National Highways (fiscal 2018 to fiscal 2028)
- Review and outlook of NHAI's construction pace (fiscal 2023 to fiscal 2028)
- Review and outlook of total awarded projects (fiscal 2019 to fiscal 2028) – with break-up across HAM, BOT, and EPC
 - Trend of capital outlay for roads in key states - Maharashtra, Uttar Pradesh, Madhya Pradesh, Rajasthan, Gujarat, Tamil Nadu, Karnataka and Andhra Pradesh.
 - Key upcoming projects in the region as per public information
 - Overview of key ongoing and proposed road projects in India
 - Overview of key ongoing and proposed projects for construction of bridges, elevated corridors and road tunnels
 - Review of budgetary allocation for the sector (if applicable)
 - Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
 - Brief profile of key players in the sector

Data Sources: Annual Report-Ministry of Road Transport and Highways

d. Railways

- Review of spend on railway construction in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of spend on railway construction in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Overview of ongoing and proposed key railway projects in India (e.g. HSR, DFC etc.)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Indian Railways annual report

e. Urban Infrastructure

- Review of spend on urban infrastructure construction in India over the past five years (fiscal 2018 to fiscal 2022)
- Outlook of spend on urban infrastructure construction in India over the past five years (fiscal 2023 to fiscal 2028)
- Break-up (%) of urban infrastructure spend across Metro, Smart City, Water Supply (Jal Jeevan Mission and other drinking water schemes) and Sanitation (WSS), and Others
- Overview of WSS investments (fiscal 2018 to fiscal 2028)
- Overview of Metro investments (fiscal 2018 to fiscal 2028) and factors impacting the segment
- Qualitative overview of operational and upcoming metro projects in India covering project cost, current network, expansion plans, passenger traffic etc. – based on public information
- Qualitative overview of High-Speed Rail Project – based on public information
- Metro Segments – Sub-segments of Metro like Elevated Metro, Underground Metro, Metro Lite, Metro Neo, Rapid Rail (list of projects). Large pipeline of projects a huge construction opportunity in the coming years
- Overview of Smart city investments and factors impacting the segment
- Overview of policies and regulatory landscape impacting the sector
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Fitch Connect, newspaper articles, annual economic survey. Kindly note: The ministry of urban affairs has not published any annual report after financial year 2017. The above section will be done on a best effort basis

f. Ports

- Review of spend on ports construction in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of spend on ports construction in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of capacity and traffic at major ports (fiscal 2018 to fiscal 2023)
- Overview of Sagarmala programme projects and other key ongoing and proposed projects (e.g., Transshipment hubs in India)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Annual report of Ministry of Port, Shipping and Waterways

g. Hydro-electric power

- Review of construction spend on Hydro-electric power in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on Hydro-electric power in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
- Government thrust on the construction of Pump storage
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Annual report of Ministry of Powers

4. Assessment of Oil & Gas Construction segment

- Review of construction spend on oil & gas in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on oil & gas in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Overview of key ongoing and proposed projects and capex plans of key players - ONGC and Reliance
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment

- Brief profile of key players in the sector
- Overview of growth drivers the market in India

Data Sources: Annual report of Ministry of Petroleum and Natural Gas

5. Assessment of Industrial metals and mining segment

- Review of construction spend on industrial metals and mining segment in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on industrial metals and mining segment in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Annual report of Ministry of Mines

6. Assessment of Irrigation Construction segment

- Review of construction spend on irrigation in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on irrigation in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector
- Overview of growth drivers the market in India

Data Sources: Annual report of Ministry of Jal Shakti

7. Competitive mapping of key players operating in the Indian Infrastructure Industry

This section shall provide an overview of 5-6 key players operating in the Indian Infrastructure industry. The players shall be shortlisted based on their presence and business segments. The final list of players to be covered under competitive landscape shall be finalized after discussion with the client

Following aspects shall be covered:

- No of years of operations
- Brief product offerings of the company
- Technological capabilities of the players
- Major geographic presence of the company

- Order Book of the players
- Overview of financial performance for past 3 years covering the following points:
 - Operating income and growth
 - Income segmentation – Domestic and Overseas
 - EBITDA margin and growth
 - Net profit margins and growth (PAT)
 - Gearing ratio / debt levels
 - Net Debt / EBITDA
 - Interest coverage ratio
 - Current ratio
 - Return of capital employed (ROCE)
 - Return in Equity (ROE)
 - Cash flow from Operations
 - Cash Profit
 - (PAT + Depreciation) as % of Turnover
 - Net cash accruals
 - Receivable days
 - Payable days
 - Inventory days
 - Working capital days
 - Credit rating
 - Order book to Sales Ratio

FSIAPL proposes to use tables, graphs, flowcharts and diagrams to explain structure, trends and comparisons, wherever possible. The report will be based on the secondary sources of information and the data bases which it considers reliable. The draft report will be submitted within 4-5 weeks after the receipt of the purchase order. The final report will be submitted within 1 week after receiving feedback on the draft report.

3. COMMERCIAL TERMS

Our commercial terms for the proposed assignment are as follows:

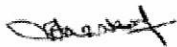
- a. Professional fees: Rs. 2200,000 (Rupees Twenty-Two Lakh Only).
- b. GST shall be payable at the rate of 18 % in addition to the above professional fees.
- c. The above fee includes all local travel and other incidental expenses that we expect to incur during the course of this assignment. However, the fees do not include analyst travel cost from Mumbai to outstation cities for management discussion, if any. These travel costs, and any other outstation travel made from Mumbai by the analysts at the behest of the client will be charged at actuals.
- d. The report will be updated maximum two times within a span of three months.
- e. The schedule of payment of our professional fees is as follows:

- i. 50% of the fees and GST to be paid as advance along with the signed agreement
- ii. 50% of the fees and GST to be paid on the submission of the final report
- f. Mode of Payment: All payments shall be in the name of "Fitch Solutions India Advisory Private Limited" by way of Cheque/Demand Draft payable at Mumbai.

4. NEXT STEPS

The services to be provided by FSIAPL under this agreement shall be governed by the FSIAPL Standard Conditions of Contract attached to this agreement.

Thanking you
Yours sincerely



Bhaskar Som
Country Head
Fitch Solutions India Advisory Private Limited



For Afcons Infrastructure Limited

FSIAPL: Standard Conditions of Contract

Set forth below are the terms & conditions (“**Conditions**”) governing the provision of services by Fitch Solutions India Advisory Private Limited (“**FSIAPL**”) to the client (“**you**”) identified in the project proposal provided by FSIAPL to you (“**Proposal**”).

1. Provision of the Service. FSIAPL agrees to perform the services described in the Agreement (“**Service**”).

2. Terms of Engagement. The term of provision of the Service (“**Engagement**”) shall commence upon the date of the Agreement issued by FSIAPL and will continue until completion of the Service. If the Service is required to be provided on an ongoing basis with no defined expiry, the initial term of the Engagement shall be for twelve (12) months, automatically renewable for successive twelve (12) month periods thereafter unless either party provides written notice of termination to the other party no less than thirty (30) days prior to the expiry of the then current twelve (12) month period.

Either party shall have the right to terminate the Engagement (i) upon thirty (30) days prior written notice to the other party in the event of a material breach of the Engagement by the other party, its officers or employees, unless the breach is corrected within such thirty (30) day notice period or (ii) upon seven (7) days prior written notice if the other party (a) terminates or suspends its business, (b) becomes subject to any bankruptcy or insolvency proceeding under Federal or state statute or (c) becomes insolvent or subject to direct control by a trustee, receiver or similar authority.

3. Fee for Service. FSIAPL’s fee for the provision of the Service will be as set out in the Agreement (“**Fee**”). You agree to pay in full each instalment of the Fee within thirty (30) days of the receipt of each FSIAPL invoice.

If the Service is required to be provided on an ongoing basis with no defined expiry, FSIAPL reserves the right to modify the Fee for the provision of the Service once in every twelve (12) month period throughout the term of the Engagement, provided that you shall be provided with written notice of any fee increase at least sixty (60) days prior to the end of the then current twelve (12) month period. Such increase will take effect upon the commencement of the next twelve (12) month period.

4. Disclaimer. FSIAPL in the provision of the Service has received information and documents from both you and/or your dealers and advisors and third parties. FSIAPL has relied on both you and/or your dealers and advisors and these third parties for the accuracy of such information and documents. FSIAPL has not independently verified such information. FSIAPL does not represent, warrant or guarantee: (i) that it is providing any financial advice, auditing, accounting, appraisal or actuarial services; (ii) the accuracy, correctness, integrity, completeness or timeliness of any part of the Service described herein, due to the fact that all of the results of FSIAPL’s analysis are based on information provided to FSIAPL by you and/or your dealers and advisors and third-parties; and (iii) that the information, analyses and agreed upon procedures contained in, and constituting a part of, the Service, as described in the Agreement, will fulfill any of your particular purposes or needs. FSIAPL is not responsible for any underwriting, credit, or investment decision, or damages or other losses resulting from use of the Service. The Service is provided “as is” and all faults and the entire risk as to satisfactory quality, performance, accuracy and effort is with you. In providing the Service, FSIAPL is not making any recommendation to you to buy, sell, make or hold any investment, loan or security.

5. Liability of FSIAPL. Regardless of the basis on which you or any third party may be entitled to recover damages from FSIAPL (including: breach of warranty, contract or fiduciary duty; negligence, misrepresentation or other tort; or indemnity), the total liability of FSIAPL (including its officers, directors, employees, dealers or suppliers) in connection with the Service is limited to the value of actual direct losses that can be proven up to an amount not to exceed the total fee for the Service during the prior twelve (12) month period, pro-rated for a partial year of service. Furthermore, the party suffering such damages or losses must first exhaust any available legal and equitable remedies against parties other than FSIAPL. FSIAPL shall in no event be liable to you or any third party (including your employees, licensors and dealers) for any special, incidental, indirect or consequential damages (including, without limitation, lost profits, savings, revenues, business opportunities or business advantages) in any way related to the Service, even if FSIAPL has been advised of the possibility of such damages. Notwithstanding the above and any other provision of these Conditions, FSIAPL shall not exclude or limit its liability for negligence causing death or personal injury or for fraud.



6. Indemnification. You shall, defend, indemnify and hold harmless FSIAPL from and against any and all claims, losses, damages, causes of action and liability of any kind, including court costs, the fees of attorneys and expert witness fees ("Claims") sustained by FSIAPL from third-parties, which Claims arise out of or result from or in connection with the use of the Service. You shall defend such action at your own expense, and shall pay all costs and damages finally awarded against FSIAPL; provided that FSIAPL gives you (i) prompt notice of any such claim (ii) reasonable assistance (other than monetary assistance) in defending against the claim and (iii) sole authority to defend or settle such claim at your sole expense; however, you shall have no liability for any costs or expenses incurred by FSIAPL without your prior authorization.

7. No Solicitation. For the term of the Engagement, and for a period of eighteen months (18) following the termination of the Engagement, neither party will, without the prior written consent of the other party (which consent such potentially affected party may withhold, in its sole discretion), solicit for employment or employ (including as an independent contractor) (i) any person who then is, or within the then preceding 12 months was, employed (including as an independent contractor) by that party or any of its affiliates.

8. Assignment. You shall not assign your obligations under the Engagement, except with FSIAPL's prior written approval.

9. Force Majeure. Neither party shall be responsible for the failure or delay in the performance of any obligation under the Engagement caused by acts of God, flood or fire, power failure, or other reasons beyond such party's control.

10. Ownership of Rights. FSIAPL acknowledges that you shall own the physical media upon which any reports are prepared by FSIAPL and delivered to you as part of the Service; provided, however, that because such reports shall also contain intellectual property and confidential information of FSIAPL, you acknowledge that you shall have the right to use such reports solely for your own internal purposes. You hereby acknowledge FSIAPL's exclusive ownership rights, including without limitation, all patent, copyright, trade mark rights, database rights, know-how and trade secret rights, with respect to the contents of any reports and any other work produced by FSIAPL including, but not limited to, any ideas, applications, software, principles, algorithms, methods and other work product produced, or created by FSIAPL in connection with the Service, all of which shall be considered confidential information.

11. Confidentiality. Each party to the Engagement shall maintain in full confidence and shall not use or disclose to any third-party, except pursuant to the terms of the Engagement, any of the information furnished by the other party pursuant to these Conditions ("**Confidential Information**"), whether furnished before or after the date of the Agreement, together with analyses, compilations, studies, or other documents or records prepared by either party which contain or otherwise reflect or are generated from such information.

No information shall be considered to be Confidential Information that:

- (a) is or becomes generally available in the public domain other than as a result of an unauthorized disclosure by the receiving party;
- (b) is not acquired from the disclosing party or any of its affiliates or from any person in breach of an obligation of secrecy to the disclosing party;
- (c) is disclosed with the permission of the disclosing party; or
- (d) is required to be disclosed pursuant to law or regulation or order of a court of competent jurisdiction or applicable regulatory or governmental authority.

12. Independent Contractor. Nothing in the Engagement shall be construed as establishing the relationship of employer and employee or the relationship of partners, principal and agent, or joint ventures between FSIAPL and you. FSIAPL shall be considered for all purposes an independent contractor.

13. Entire Engagement; Amendment. The Engagement, which includes the Proposal and these Conditions, constitutes the entire Agreement between the parties as to the Service and may not be modified or altered without a written instrument executed by both parties. The waiver or failure of FSIAPL to exercise any right in any respect provided for herein shall not be deemed a waiver of any further right hereunder.

14. Third-Party Beneficiaries. No person or entity shall have, or is intended to have, any interest, right, remedy or other benefit in connection with any Agreement or provision contained herein or contemplated hereby.



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15. Governing Law; Disputes. The Engagement shall be governed by the laws of India. Both FSIAPL and you hereby agree that for the purpose of the Engagement, if any dispute arises with respect to and/or in connection with the Service, the Agreement or these Conditions, the courts of Mumbai shall have exclusive jurisdiction in the matter.



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Agreement No: IRR/2023-24/33B

Dated: 28th July 2023

To

Mr. Hitesh Kumar Singh

Afcons Infrastructure Limited

Afcons House, 16, Shah Industrial Estate,

Veera Desai Road, Andheri (West),

Mumbai-400053.

Phone: +91 9619266474

Email: hitesh.singh@afcons.com

Dear Sir,

Sub: Agreement for Updation of Industry Research Report on the Infrastructure Sector in India

We understand that your firm is planning to raise finance through Initial Public Offering (IPO) in the coming months and hence require an updated industry research report on the captioned subject which your merchant banker can include in the offer documents.

1. INTRODUCTION

Fitch Solutions India Advisory Private Limited (FSIAPL) is a part of Fitch Group – a global leader in financial information services with operations in more than 30 countries. Fitch Group is comprised of: Fitch Ratings, a global leader in credit ratings and research; Fitch Solutions, a leading provider of credit market data, analytical tools and risk services; and Fitch Learning, a preeminent training and professional development firm.

In India, the Fitch Group is represented by its wholly owned Indian subsidiaries India Ratings & Research (India Ratings) and FSIAPL. India Ratings provides national ratings in India and is a wholly owned subsidiary of Fitch Ratings. For catering to the non-rating businesses, Fitch Solutions set up IRR Advisory Services Private Limited (IRR Advisory) in 2013. The name of IRR Advisory has now been changed to Fitch Solutions India Advisory Private Limited effective 9th June 2022.

Fitch Solutions provide credit and macro intelligence solutions helping clients to excel at managing their credit risk, gain deeper insights into the debt and fixed income markets, and get comprehensive intelligence about the macroeconomic environment. Today, 90% of the world's leading banks and financial institutions, as well as multinational companies, government agencies, and consulting firms based across the globe depend on Fitch Solutions & Fitch Ratings content to inform their business decisions. Fitch Solutions distributes via its Fitch Connect platform credit ratings, credit research, Financial Implied Credit Scores, fundamental data, country and industry

research, macroeconomic and industry data, and a curated news service. Fitch Solutions operates through its offices in London, New York, Tokyo, Hong Kong, Singapore and Mumbai.

In India IRR Advisory(now known as FSIAPL) since inception in 2013 has worked in several prestigious mandates, including : routinely conducting techno-economic viability studies for 9 PSU banks; conducting due diligence studies for new dealers for four global OEMs; undertaking credit assessment in Indian sub-continent for proposed investments by a leading Japanese investment bank; providing quarterly coverage to a global manufacturer on the Indian economy and on the infrastructure sector to align its strategy with economic reality; providing industry coverage and industry risk scores for various sectors for a leading multinational bank and assisting them in designing their product strategy; preparing bespoke industry research on various sectors for companies planning IPOs or desiring to benchmark themselves against competition; and undertaking benchmarking and competitive study for strategy formulation for a leading private sector NBFC; undertaking model validation for a leading PSU bank and recommending model improvements; undertaking model validation for a leading infrastructure financing institutions and recommending model improvements; providing financial advisory services and addressing asset-liability mismatch for a leading Indian infrastructure player; developing credit rating models for rating global banks for a new age private bank and subsequently undertook model validation and calibration for the same; developing SME credit rating model for a leading MNC bank who was planning to increase its exposure to the SME segment; developing model for Early Warning Signal (EWS) framework for systemically important public infrastructure finance company; reviewing and upgrading existing internal rating models and developing internal rating models for Small Finance Banks, State Co-operative Banks, Urban Co-operative Banks, Regional Rural Banks, Housing Finance Companies and Schedule Commercial Banks for an apex level institution for housing finance; developing model for calculating Expected Credit Loss (ECL) under IND AS framework for leading financial institutions; conducting credit check on customers for a leading Swiss multinational corporation dealing in telecommunication equipment; amongst others.

The Fitch Group and its companies thus enjoy the trust and confidence of investors, issuers, Governments, multilateral agencies, and regulators across the globe. Our clients include corporate houses, banks and financial institutions, infrastructure companies, multilateral agencies and government. We offer our clients a multidimensional approach to addressing their problems. We adopt a customized, responsive and personal approach to client service and offer a comprehensive range of services across various industries. FSIAPL, a Fitch group company would be pleased to assist you for undertaking the bespoke industry research report.

2. SCOPE OF WORK

The scope of work for the assignment will be to prepare a customized industry research report on the Infrastructure Sector in India to be included in the offer documents. The proposed coverage of the industry research report is as given below:

1. Marco-economic overview

- Global macroeconomic overview
 - Overview of global GDP trend CY2017-CY2022
 - World economic outlook for calendar year 2023 and 2024 as per IMF and World Bank estimates
 - Overview of GDP growth of Advanced economies, Emerging economies and India
 - Overview of key macroeconomic parameters like GDP per capita for global economy
 - Overview of GDP for key economies with focus countries in Africa, Middle East, South East Asia and Europe
- Indian macroeconomic overview
- Trend in real GDP growth in India, based on the new series of 2011-12
- Outlook on GDP growth
- Review of Gross fixed capital formation (GFCF) - FY12 onwards
- Trend in per capita income levels (FY12 onwards)
- Key demographic growth drivers for the consumption growth in India
- India's population growth projection till 2030
 - India population segmentation by age group – 2020 & 2030
 - Review of per capita net national income, per capita GDP, disposable income and growth rate
 - India urbanisation trends (1960 onwards for every ten years and projections till 2030)
- Review of Construction GVA – past trend fiscal 2012 to fiscal 2023 / as per latest available data by Government of India
 - Construction GVA as a % of Total GVA
- Construction GVA as a % of Total GDP
- Trend in FDI inflows for Construction (infrastructure) sector as per latest available public data
- Review of allocations in Budget for fiscal 2022 to fiscal 2024 with respect to infrastructure sector covering budgeted and actual estimates
 - Focus on allocation in Roads & Highways, Railways, Urban Infrastructure, Ports, Hydro-electric Power and Oil & Gas

- Review of Government policies and regulatory environment impacting the infrastructure sector's growth
 - Focus on National Infrastructure Plan and others as applicable with overview of prominent projects covered under the plan
 - Focus on policies impacting investment in Roads & Highways, Railways, Urban Infrastructure, Ports, Hydro-electric Power and Oil & Gas

Data Sources: RBI, IMF and Fitch Connect

2. Assessment of Global infrastructure construction industry

- Review of global infrastructure construction market size (CY2019- 2022)
- Outlook on global infrastructure construction market size over the next five years (CY2023- 2028) on best effort basis
- Estimated current segment-wise breakup of global construction investments as per latest available data for key segments on best effort basis
- Geography-wise breakup of global construction market size - North America, Europe,
- Asia-Pacific, Latin America, Middle-east & Africa on best effort basis
- Country wise market size of construction industry in key selected economies* on best effort basis
- List of infrastructure projects funded by Multilateral Agencies-World Bank, AIDB, European Union and JICA
- Capital expenditure plans of key international clients:
 - Arcelor Mittal
 - Arcelor Mittal Nippon Steel
 - Road and Transport Authority (RTA), Dubai
 - Olam International
 - Meridiam
 - Public Investment Fund (PIF), Saudi Arabia
- Overview of key global projects driven the Indian Government as per publicly available information. A brief write up on the projects funded by EXIM Bank
- *Note: The list of countries will include following 27 countries,
 - Africa: **Liberia**, Ghana, Gabon, Tanzania, Ivory Coast, Zambia, **Mauritius**, **DR Congo**, Uganda, Mozambique
 - Middle East: Saudi Arabia
 - Neighbouring Countries & South-East Asia: Bangladesh, **Bhutan**, **Nepal**, Sri Lanka, **Maldives**, Malaysia, Philippines, Cambodia, Laos, Myanmar, Vietnam
 - Eastern Europe & Euro-Asia: Romania, **Armenia**, **Georgia**, Bosnia & Herzegovina

Data Sources: Fitch Connect. The countries highlighted in bold is not covered by Fitch Connect. For Bhutan Nepal and Maldives- We will include the infrastructure Projects funded by Government of India and EXIM Bank. We will source data from European Bank for Reconstruction and Development on the infrastructure projects for countries like Armenia and Georgia.

3. Assessment of Indian infrastructure construction industry

a. Assessment of overall construction industry in India

- Review of Construction investments in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook on Construction investments in India over the next five years (fiscal 2023 to fiscal 2027) (will be done on a best effort basis)
- Segment-wise breakup of investments in India over the past five (fiscal 2018 to fiscal 2022) next five years (fiscal 2023 to fiscal 2027)
 - Infrastructure (Roads, Irrigation, Railways, Urban Infra, Power, Airports, Ports, Telecom)
 - Building & Construction (Residential and Commercial)
 - Industrial (Oil & gas, Automobiles, Metals, Others)
- Growth drivers of overall construction sector in India
- Overview of trends in infrastructure industry
 - Qualitative overview of complex vs non-complex construction projects using examples
 - Qualitative review of trends in the tendering process, for e.g., L1 Bidder vs Quality- cum-Cost Based Selection (QCBS)/Technical Bids
 - Qualitative overview of trends in line of credit for infrastructure sector
- Capital expenditure plans of key domestic clients:
 - Delhi Metro Rail Corporation (DMRC)
 - Maharashtra State Road Development Corporation (MSRDC)
 - Mumbai Metropolitan Region Development Authority (MMRDA)
 - Rail Vikas Nigam Limited (RVNL)
 - IRCON International
 - Kolkata Metro Rail Corporation Limited (KMRCL)
 - Ministry of Road Transport and Highways (MoRTH)
 - National High-Speed Rail Corporation Limited (NHSRCL)
 - National Capital Region Transport Corporation (NCRTC)
 - Bengaluru Metro Rail Corporation Limited (BMRCL)
 - Gujarat Metro Rail Corporation Limited (GMRC)
 - Maharashtra Metro Rail Corporation Limited (Maha Metro)
 - Uttar Pradesh Metro Rail Corporation (UPMRC)
 - Uttar Pradesh Expressways Industrial Development Authority (UPEIDA)

- Reliance Industries Limited (RIL)
- Gujarat Chemical Port Limited (GCPL)
- Oil and Natural Gas Corporation (ONGC)
- HPCL Rajasthan Refinery Ltd

b. Assessment of Infrastructure Construction segment

- Review of overall Infrastructure Construction market in India over the past five years (fiscal 2018 to fiscal 2022)
- Outlook on overall Infrastructure Construction market in India over the next five years (fiscal 2023 to fiscal 2028)
- Sector-wise breakup of Infrastructure Construction market in India over the past five (fiscal 2018 to fiscal 2022) and next five years (fiscal 2023 to fiscal 2028)

Data Sources: RBI and Fitch Connect

- The following sub-segments will be covered as per below scope

c. Roads & Highways

- Review of spend on road construction in India over the past five years (fiscal 2018 to fiscal 2022)
- Outlook of spend on road construction in India over the past five years (fiscal 2023 to fiscal 2028)
- Break-up (%) of road construction spend across Rural, State and National Highways (fiscal 2018 to fiscal 2028)
- Review and outlook of NHAI's construction pace (fiscal 2023 to fiscal 2028)
- Review and outlook of total awarded projects (fiscal 2019 to fiscal 2028) – with break-up across HAM, BOT, and EPC
 - Trend of capital outlay for roads in key states - Maharashtra, Uttar Pradesh, Madhya Pradesh, Rajasthan, Gujarat, Tamil Nadu, Karnataka and Andhra Pradesh.
 - Key upcoming projects in the region as per public information
 - Overview of key ongoing and proposed road projects in India
 - Overview of key ongoing and proposed projects for construction of bridges, elevated corridors and road tunnels
 - Review of budgetary allocation for the sector (if applicable)
 - Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
 - Brief profile of key players in the sector

Data Sources: Annual Report-Ministry of Road Transport and Highways

d. Railways

- Review of spend on railway construction in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of spend on railway construction in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Overview of ongoing and proposed key railway projects in India (e.g. HSR, DFC etc.)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Indian Railways annual report

e. Urban Infrastructure

- Review of spend on urban infrastructure construction in India over the past five years (fiscal 2018 to fiscal 2022)
- Outlook of spend on urban infrastructure construction in India over the past five years (fiscal 2023 to fiscal 2028)
- Break-up (%) of urban infrastructure spend across Metro, Smart City, Water Supply (Jal Jeevan Mission and other drinking water schemes) and Sanitation (WSS), and Others
- Overview of WSS investments (fiscal 2018 to fiscal 2028)
- Overview of Metro investments (fiscal 2018 to fiscal 2028) and factors impacting the segment
- Qualitative overview of operational and upcoming metro projects in India covering project cost, current network, expansion plans, passenger traffic etc. – based on public information
- Qualitative overview of High-Speed Rail Project – based on public information
- Metro Segments – Sub-segments of Metro like Elevated Metro, Underground Metro, Metro Lite, Metro Neo, Rapid Rail (list of projects). Large pipeline of projects a huge construction opportunity in the coming years
- Overview of Smart city investments and factors impacting the segment
- Overview of policies and regulatory landscape impacting the sector
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Fitch Connect, newspaper articles, annual economic survey. Kindly note: The ministry of urban affairs has not published any annual report after financial year 2017. The above section will be done on a best effort basis

f. Ports

- Review of spend on ports construction in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of spend on ports construction in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of capacity and traffic at major ports (fiscal 2018 to fiscal 2023)
- Overview of Sagarmala programme projects and other key ongoing and proposed projects (e.g., Transshipment hubs in India)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Annual report of Ministry of Port, Shipping and Waterways

g. Hydro-electric power

- Review of construction spend on Hydro-electric power in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on Hydro-electric power in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
- Government thrust on the construction of Pump storage
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Annual report of Ministry of Powers

4. Assessment of Oil & Gas Construction segment

- Review of construction spend on oil & gas in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on oil & gas in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Overview of key ongoing and proposed projects and capex plans of key players - ONGC and Reliance
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector
- Overview of growth drivers the market in India

Data Sources: Annual report of Ministry of Petroleum and Natural Gas

5. Assessment of Industrial metals and mining segment

- Review of construction spend on industrial metals and mining segment in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on industrial metals and mining segment in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
 - Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector

Data Sources: Annual report of Ministry of Mines

6. Assessment of Irrigation Construction segment

- Review of construction spend on irrigation in India over the past five years (fiscal 2018 to fiscal 2022) (will be done on a best effort basis)
- Outlook of construction spend on irrigation in India over the past five years (fiscal 2023 to fiscal 2028) (will be done on a best effort basis)
- Review of budgetary allocation for the sector (if applicable)
- Overview of policies and regulatory landscape impacting the sector
- Qualitative review of reforms which has aided ease of doing business in the segment
- Brief profile of key players in the sector
- Overview of growth drivers the market in India

Data Sources: Annual report of Ministry of Jal Shakti

7. Competitive mapping of key players operating in the Indian Infrastructure Industry

This section shall provide an overview of 5-6 key players operating in the Indian Infrastructure industry. The players shall be shortlisted based on their presence and business segments. The final list of players to be covered under competitive landscape shall be finalized after discussion with the client

Following aspects shall be covered:

- No of years of operations
- Brief product offerings of the company
- Technological capabilities of the players
- Major geographic presence of the company
- Order Book of the players
- Overview of financial performance for past 3 years covering the following points:

- Operating income and growth
- Income segmentation – Domestic and Overseas
- EBITDA margin and growth
- Net profit margins and growth (PAT)
- Gearing ratio / debt levels
- Net Debt / EBITDA
- Interest coverage ratio
- Current ratio
- Return of capital employed (ROCE)
- Return in Equity (ROE)
- Cash flow from Operations
- Cash Profit
- (PAT + Depreciation) as % of Turnover
- Net cash accruals
- Receivable days
- Payable days
- Inventory days
- Working capital days
- Credit rating
- Order book to Sales Ratio

FSIAPL proposes to use tables, graphs, flowcharts and diagrams to explain structure, trends and comparisons, wherever possible. The report will be based on the secondary sources of information and the data bases which it considers reliable. The draft report will be submitted within 2-3 weeks after the receipt of the purchase order. The final report will be submitted within 1 week after receiving feedback on the draft report.

3. COMMERCIAL TERMS

Our commercial terms for the proposed assignment are as follows:

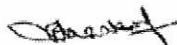
- a. Professional fees: Rs. 500,000 (Rupees Five Lakh Only) for the updating of industry research report starting November 2023
- b. GST shall be payable at the rate of 18 % in addition to the above professional fees.
- c. The above fee includes all local travel and other incidental expenses that we expect to incur during the course of this assignment. However, the fees do not include analyst travel cost from Mumbai to outstation cities for management discussion, if any. These travel costs, and any other outstation travel made from Mumbai by the analysts at the behest of the client will be charged at actuals.
- d. The report will be updated maximum three times for the period from November 2023 till July 2024.

- e. The schedule of payment of our professional fees is as follows:
 - i. 50% of the fees and GST to be paid as advance along with the signed mandate letter
 - ii. 50% of the fees and GST to be paid on the submission of the final report
- f. Mode of Payment: All payments shall be in the name of “Fitch Solutions India Advisory Private Limited” by way of Cheque/Demand Draft payable at Mumbai.

4. NEXT STEPS

The services to be provided by FSIAPL under this agreement shall be governed by the FSIAPL Standard Conditions of Contract attached to this agreement.

Thanking you
Yours sincerely



Bhaskar Som
Country Head
Fitch Solutions India Advisory Private Limited



For Afcons Infrastructure Limited

FSIAPL: Standard Conditions of Contract

Set forth below are the terms & conditions (“**Conditions**”) governing the provision of services by Fitch Solutions India Advisory Private Limited (“**FSIAPL**”) to the client (“**you**”) identified in the project proposal provided by FSIAPL to you (“**Proposal**”).

1. Provision of the Service. FSIAPL agrees to perform the services described in the Agreement (“**Service**”).

2. Terms of Engagement. The term of provision of the Service (“**Engagement**”) shall commence upon the date of the Agreement issued by FSIAPL and will continue until completion of the Service. If the Service is required to be provided on an ongoing basis with no defined expiry, the initial term of the Engagement shall be for twelve (12) months, automatically renewable for successive twelve (12) month periods thereafter unless either party provides written notice of termination to the other party no less than thirty (30) days prior to the expiry of the then current twelve (12) month period.

Either party shall have the right to terminate the Engagement (i) upon thirty (30) days prior written notice to the other party in the event of a material breach of the Engagement by the other party, its officers or employees, unless the breach is corrected within such thirty (30) day notice period or (ii) upon seven (7) days prior written notice if the other party (a) terminates or suspends its business, (b) becomes subject to any bankruptcy or insolvency proceeding under Federal or state statute or (c) becomes insolvent or subject to direct control by a trustee, receiver or similar authority.

3. Fee for Service. FSIAPL’s fee for the provision of the Service will be as set out in the Agreement (“**Fee**”). You agree to pay in full each instalment of the Fee within thirty (30) days of the receipt of each FSIAPL invoice. If the Service is required to be provided on an ongoing basis with no defined expiry, FSIAPL reserves the right to modify the Fee for the provision of the Service once in every twelve (12) month period throughout the term of the Engagement, provided that you shall be provided with written notice of any fee increase at least sixty (60) days prior to the end of the then current twelve (12) month period. Such increase will take effect upon the commencement of the next twelve (12) month period.

4. Disclaimer. FSIAPL in the provision of the Service has received information and documents from both you and/or your dealers and advisors and third parties. FSIAPL has relied on both you and/or your dealers and advisors and these third parties for the accuracy of such information and documents. FSIAPL has not independently verified such information. FSIAPL does not represent, warrant or guarantee: (i) that it is providing any financial advice, auditing, accounting, appraisal or actuarial services; (ii) the accuracy, correctness, integrity, completeness or timeliness of any part of the Service described herein, due to the fact that all of the results of FSIAPL’s analysis are based on information provided to FSIAPL by you and/or your dealers and advisors and third-parties; and (iii) that the information, analyses and agreed upon procedures contained in, and constituting a part of, the Service, as described in the Agreement, will fulfill any of your particular purposes or needs. FSIAPL is not responsible for any underwriting, credit, or investment decision, or damages or other losses resulting from use of the Service. The Service is provided “as is” and all faults and the entire risk as to satisfactory quality, performance, accuracy and effort is with you. In providing the Service, FSIAPL is not making any recommendation to you to buy, sell, make or hold any investment, loan or security.

5. Liability of FSIAPL. Regardless of the basis on which you or any third party may be entitled to recover damages from FSIAPL (including: breach of warranty, contract or fiduciary duty; negligence, misrepresentation or other tort; or indemnity), the total liability of FSIAPL (including its officers, directors, employees, dealers or suppliers) in connection with the Service is limited to the value of actual direct losses that can be proven up to an amount not to exceed the total fee for the Service during the prior twelve (12) month period, pro-rated for a partial year of service. Furthermore, the party suffering such damages or losses must first exhaust any available legal and equitable remedies against parties other than FSIAPL. FSIAPL shall in no event be liable to you or any third party (including your employees, licensors and dealers) for any special, incidental, indirect or consequential damages (including, without limitation, lost profits, savings, revenues, business opportunities or business advantages) in any way related to the Service, even if FSIAPL has been advised of the possibility of such damages. Notwithstanding the above and any other provision of these Conditions, FSIAPL shall not exclude or limit its liability for negligence causing death or personal injury or for fraud.



6. Indemnification. You shall, defend, indemnify and hold harmless FSIAPL from and against any and all claims, losses, damages, causes of action and liability of any kind, including court costs, the fees of attorneys and expert witness fees ("Claims") sustained by FSIAPL from third-parties, which Claims arise out of or result from or in connection with the use of the Service. You shall defend such action at your own expense, and shall pay all costs and damages finally awarded against FSIAPL; provided that FSIAPL gives you (i) prompt notice of any such claim (ii) reasonable assistance (other than monetary assistance) in defending against the claim and (iii) sole authority to defend or settle such claim at your sole expense; however, you shall have no liability for any costs or expenses incurred by FSIAPL without your prior authorization.

7. No Solicitation. For the term of the Engagement, and for a period of eighteen months (18) following the termination of the Engagement, neither party will, without the prior written consent of the other party (which consent such potentially affected party may withhold, in its sole discretion), solicit for employment or employ (including as an independent contractor) (i) any person who then is, or within the then preceding 12 months was, employed (including as an independent contractor) by that party or any of its affiliates.

8. Assignment. You shall not assign your obligations under the Engagement, except with FSIAPL's prior written approval.

9. Force Majeure. Neither party shall be responsible for the failure or delay in the performance of any obligation under the Engagement caused by acts of God, flood or fire, power failure, or other reasons beyond such party's control.

10. Ownership of Rights. FSIAPL acknowledges that you shall own the physical media upon which any reports are prepared by FSIAPL and delivered to you as part of the Service; provided, however, that because such reports shall also contain intellectual property and confidential information of FSIAPL, you acknowledge that you shall have the right to use such reports solely for your own internal purposes. You hereby acknowledge FSIAPL's exclusive ownership rights, including without limitation, all patent, copyright, trade mark rights, database rights, know-how and trade secret rights, with respect to the contents of any reports and any other work produced by FSIAPL including, but not limited to, any ideas, applications, software, principles, algorithms, methods and other work product produced, or created by FSIAPL in connection with the Service, all of which shall be considered confidential information.

11. Confidentiality. Each party to the Engagement shall maintain in full confidence and shall not use or disclose to any third-party, except pursuant to the terms of the Engagement, any of the information furnished by the other party pursuant to these Conditions ("Confidential Information"), whether furnished before or after the date of the Agreement, together with analyses, compilations, studies, or other documents or records prepared by either party which contain or otherwise reflect or are generated from such information.

No information shall be considered to be Confidential Information that:

- (a) is or becomes generally available in the public domain other than as a result of an unauthorized disclosure by the receiving party;
- (b) is not acquired from the disclosing party or any of its affiliates or from any person in breach of an obligation of secrecy to the disclosing party;
- (c) is disclosed with the permission of the disclosing party; or
- (d) is required to be disclosed pursuant to law or regulation or order of a court of competent jurisdiction or applicable regulatory or governmental authority.

12. Independent Contractor. Nothing in the Engagement shall be construed as establishing the relationship of employer and employee or the relationship of partners, principal and agent, or joint ventures between FSIAPL and you. FSIAPL shall be considered for all purposes an independent contractor.

13. Entire Engagement; Amendment. The Engagement, which includes the Proposal and these Conditions, constitutes the entire Agreement between the parties as to the Service and may not be modified or altered without a written instrument executed by both parties. The waiver or failure of FSIAPL to exercise any right in any respect provided for herein shall not be deemed a waiver of any further right hereunder.

14. Third-Party Beneficiaries. No person or entity shall have, or is intended to have, any interest, right, remedy or other benefit in connection with any Agreement or provision contained herein or contemplated hereby.



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15. Governing Law; Disputes. The Engagement shall be governed by the laws of India. Both FSIAPL and you hereby agree that for the purpose of the Engagement, if any dispute arises with respect to and/or in connection with the Service, the Agreement or these Conditions, the courts of Mumbai shall have exclusive jurisdiction in the matter.