

INDIA TO GET ITS FIRST ONLINE P2P MARKETPLACE FOR RENT AND SALE OF CONSTRUCTION EQUIPMENT

Acropolis Capital Group and Punj Lloyd Are Creating Asia's Largest Virtual Equipment Bank
By Partnering With Leading Infrastructure Companies in the Region

New Delhi, November 24, 2015: India is on the threshold of getting its first online contractor-to-contractor equipment rental and sale marketplace for the construction and infrastructure industry, an industry which is the single largest component of India's GDP. The platform is partnering with leading infrastructure companies in the region to create the largest virtual equipment bank in Asia. All the participants on the platform will benefit from renting, selling and buying to each other via a robust auction-led process.

As the first peer-to-peer, equipment rental company in India, [IronTread](#) aims to transform the way contractors make purchasing and rental decisions for construction equipment, otherwise one of the largest expenditures on their balance sheet. Using an innovative and proprietary B2B platform, IronTread will allow contractors who need equipment to access the real-time idle-equipment inventory of a universe of other contractors who have equipment available to rent but have limited channels to do so, or do not have the systems to conduct the transaction.

At present, contractors are forced to either buy equipment (which is used primarily for the duration of the project life), or rent them from a handful of leasing companies at high rental-yields. IronTread's solution benefits both, the equipment owners, for whom the platform provides a new source of revenue, and renters, who can rent equipment at the marginal cost of ownership of their peers.

IronTread aims to keep expanding its equipment bank by growing the network of equipment owners. Over time, it aims to enter related industries such as agriculture, municipal-renting, and small-tool rental, and the proximate geographies of Africa, Middle East and South East Asia which share similar economic drivers for this business, and where many such equipment banks also lie idle. Furthermore, IronTread is assembling the leading equipment financiers in India onto its platform to enable the creation of a parallel marketplace for financing the purchase of used construction equipment.

Speaking on the imminent launch of IronTread, Mr. Annat Jain, Managing Partner, Acropolis Capital Group, said, "We're pleased to invest in IronTread. This is a great time to introduce innovation into the Indian construction market. We're at the tail-end of a down-cycle in infrastructure development in India. As India emerges from this downturn, and the infrastructure industry takes center stage again, we'll be positioned for rapid growth."

Speaking on the imminent launch of IronTread, Mr. Atul Punj, Chairman of Punj Lloyd said: Punj Lloyd is pleased to be a strategic partner of IronTread. We believe this solution addresses a core problem of all construction companies. We're now in advanced stages of expanding IronTread's strategic partnership with India's largest infrastructure companies who are also keen to become strategic partners. This will allow IronTread to become, in short order, the defacto industry standard and Asia's largest virtual equipment bank.

The IronTread Advantage:

By renting or buying idle equipment of peers through the IronTread platform, renters can discover an ever-expanding network of equipment owners from whom they can rent or buy pre-verified equipment at significantly lower costs than any other available alternative. This is possible because IronTread provides renters access to the marginal cost of their peers' idle equipment. Such prices are further reduced through a proprietary online reverse-auction bidding process.

The above mentioned price advantage has a two pronged benefit: it allows EPC contractors to avoid capital expenditures and retain asset-light balance sheets, and equipment owners increase the capacity utilization of their equipment by easily and safely renting to the universe of verified renters.

IronTread's online platform will not only provide real-time discovery of price and vendors, but also enable the transaction to close through a live, reverse-auction bidding process. IronTread's team of industry professionals will administer the contracts, and stand guarantor for credit, recovery, insurance, and contract settlement. IronTread has also built sophisticated remote monitoring tools which will allow enable small-mid size contractors access to the web-based management reporting tools that resemble the functionality of sophisticated ERP systems otherwise available only to large conglomerates.

Furthermore, as a unique proposition, IronTread will underwrite an insurance policy for loss or damage of any construction equipment on its platform.

IronTread Absorbs Key Risks To Enable The Marketplace To Function Efficiently:

1. **Eliminate Credit Risk:** IronTread will be responsible for collecting all payments from the Lessee and paying owners in a timely fashion, and as such, have eliminated risks of payment or non-recovery of assets.
2. **Active Screening And Enforcement:** The platform will actively screens the quality of equipment and experience of operators on one side and quality of contractor/ hirer on the

other side. Furthermore, it removes members that don't adhere to a pre-determined code of conduct.

3. Standardized Documentation And Verification:

- A. IronTread will provide standardized insurance and product liability agreements and an automatic cover for any loss or damage of owner's equipment.
- b. Quotations/ Purchase Orders/Master Rental Agreements are all standardized and will be available on a single click, and IronTread ensures compliance to these agreements.
- c. IronTread will ensure safe transportation of all equipment including transit insurance so that owners of small fleets can also access renters at vast distances.

4. Mobile And Web-Based Reporting And Rental Management:

- a. IronTread will become single platform for contractors to manage all their equipment vendors and for equipments owner to manage all their clients.
- b. Its technology will allow site-operators and engineers to enter real time data on a mobile platform thus enabling real time tracking of equipment and work by owner and contractor
- c. A real time tracking platform eliminates the billing disputes/ minimizes downtime of equipment therefore allowing smooth execution of the project
- d. A proprietary and sophisticated web-based platform will provide reporting and accounting standards which resemble the functionality of the ERP systems of the large companies, and become available to owners of small-mid size fleets.
- e. The real time logging and reporting will bring transparency to the entire system and eliminates theft of fuel/ work hours/ spare parts/ consumables from the project.

About Punj Lloyd

Punj Lloyd Ltd. (BSE SCRIP ID: PUNJLLOYD, NSE SYMBOL: PUNJLLOYD, CIN: L74899DL1988PLC033314). The Punj Lloyd Group is a diversified international conglomerate offering EPC services in Energy and Infrastructure along with engineering and manufacturing capabilities in the Defence sector. Known for its capabilities in delivering mega projects 'on time' thereby ensuring repeat customers, the Group possesses a rich experience of successfully delivered projects across the globe, while maintaining the highest standards of health, safety, environment and quality (HSEQ). Further information about the Group is available at www.punjllloydgroup.com

About Acropolis Capital Group

Acropolis Capital Group is an India-focused Special Situation Investment Firm headquartered in New Delhi with a history of investing in Indian infrastructure. Acropolis invests its balance sheet capital to seed high-value, high-growth transactions. At advanced stages, Acropolis invites world-class strategic partners and financial investors to participate in its investments.

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